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Daily Report

LAST ISSUE

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LAST ISSUE

Central Eurasia

FBIS-SOV-96-161
Monday
19 August 1996

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Daily Report
Central Eurasia

FBIS-SOV-96-161 *19 August 1996*

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CIS: ITAR-TASS Carries Press Review for 17 August

LD1708054096 Moscow ITAR-TASS in English 0510 GMT 17 Aug 96

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] MOSCOW, August 17 (ITAR-TASS) — Central newspapers do not highlight any specific problem today, covering all of them in about equal measure. ROSSIYSKIYE VESTI publishes an article about the coming anniversary of the developments of August 1991. "Every time, when observing another anniversary of those developmeats, people ask themselves: what did really happen at that time? Those who were outside the 'White House' and those who people all over the country, who shared their feelings, say that Russia was defending its freedom and independence, proclaimed two months before. The communist opposition repeats over and over again that the State Emergency Committee wished to prevent the disintegration of the Soviet Union, and, by suppressing the putsch, Russia destroyed the great country. These arguments will continue until the free and independent Russia overcomes the crisis and becomes a peaceful and prosperous country."

Could the State Emergency Committee have got the upper hand in August 1991? — ROSSIYSKAYA GAZETA asks. Its answer is: Yes. The situation might have been different, if the Alfa group had behaved differently, if the troops moved to Moscow had been more reliable, if another person, less influential and determined, had been in Yeltsin's place. There may be other "ifs" in connection with the August 1991 developments. At that time one mishap was added to another, and the impression was that history itself blocked the way to the putschists. History deprives of common sense those who are doomed, and they are sure to be defeated. On the other hand, history may take a step back, by paving the way to power for fascists, Islamic fundamentalists and other extremist forces, who have come to understand nothing, who have drawn no lessons from the past. Nevertheless, they may come back to power for some time, and such cases are not so rare in history.

ROSSIYSKAYA GAZETA carries an interview with Russian Air Force Commander General Petr Deynekin. He believes that today, notwithstanding all the difficulties of the economic and social nature facing this country, "Russia has not lost its status of a great aviation power, and there are no grounds for all-out pessimism on the threshold of the 21st Century."

Commenting on a statement of Secretary of the Security Council Aleksandr Lebed about the developments in Chechnya, made by him at a press conference on Friday, TRUD writes: "By all appearances, the relations between Kulikov and Lebed have been complicated for a long time."

KRASNAYA ZVEZDA publishes an interview with First Deputy Commander of the Russian Air Force Viktor Kot, who says: "The Air Force is developing in accordance with a conceptual framework, drawn up for this purpose and intended for a period until 2005 or 2010. It takes into account the need for developing the Air Force infrastructure, the utmost aggravation of social problems, the need for reducing rapidly the managerial staff and for reorganising the personnel training system."

KOMSOMOLSKAYA PRAVDA publishes an article entitled "What was Chubays doing in Denmark?" It writes: "Top-ranking officials from the Kremlin seem to have an inclination for turning from time to time into 'incognito persons' and making business trips to various regions and countries in conditions of strict secrecy. Thus, the shadow of Anatoliy Chubays was noticed in the Kingdom of Denmark recently."

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Russia: International War Crimes Tribunal To Examine Chechen War

LD1608132996 Moscow INTERFAX in English 1258 GMT 16 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 16 (Interfax) — An International Non-Governmental Tribunal on Crimes Against Humanity and War Crimes in Chechnya will begin work in November or December 1996, Sergey Grigoryants, chairman of the Glasnost public fund for protection of journalists and chairman of the organizing committee to create the Tribunal, told a news conference in Moscow on Friday.

The Tribunal will consider the responsibility of high-ranking Russian officials for such crimes, he said.

The organizing committee to create the Tribunal in particular includes State Duma deputy Valeriy Borschev and writer Anatoliy Pristavkin of the Russian PEN-Center.

The Tribunal will consider such events as a Russian-sponsored anti-Dudayev offensive on the Chechen capital of Groznyy in November 1994, the assault on Groznyy in December 1994 and January 1995 by Russian federal forces, bomb raids and artillery attacks on Groznyy and the settlements of Shali and Bamut, Grigoryants told Interfax.

The Tribunal will also discuss the "clean-up" operation in the village of Samashkiy on April 7-8, 1995, and developments in the town of Budennovsk, southern Russia, where Chechen gunmen launched a hostage-taking raid in June 1995, Grigoryants said.

The situation concerning children, problems relating to filtration camps, irregularities regarding the freedom to receive and circulate information, the destruction of cultural treasures and the use of banned kinds of mass destruction weapons will also be considered, he said.

The Tribunal is likely to hold the proceedings in London, Grigoryants said. Other possible venues for the Tribunal's sessions include Nuremburg, Berlin, Bordeaux and Warsaw. A decision on the venue for the Tribunal's sessions will be made in October, he said.

The Tribunal is made up of 14 people, including a former chairman of the European Parliament's Human Rights Committee, a Nobel prize winner, a former U.S. deputy secretary of state, and others.

Russia: Moscow Offers To Host Rakhmanov Meeting With Rebel Leader

LD1608135896 Moscow INTERFAX in English 1350 GMT 16 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 16 (Interfax) — Moscow would be willing to host a meeting between Tajik President Emomali Rakhmanov and the leader of the United Tajik Opposition, Sayed Abdullo Nuri, a senior Russian diplomat told Interfax on Friday.

The meeting was initially planned for the first ten days of August but was postponed for an indefinite period.

According to the Russian diplomat, "The Tajik president and the leader of the Tajik opposition agreed to negotiate in Moscow. However, while Rakhmanov is prepared to meet Nuri without any preliminary conditions, the opposition leader believes that first it is necessary to agree on political matters at the inter-Tajik talks" already taking place in Turkmenistan, said the diplomat.

He made it clear the opposition had stalled the proposed meeting.

Moscow is against any preliminary conditions for holding this meeting, said. "We proceed from the fact that its aim is to attach a new impetus to the talks, not to substitute the negotiations in Ashgabat," said the source.

The Russian side believes that in Moscow the Tajik president and the leader of the Tajik opposition could agree on a cease-fire. This would make it possible for both delegations at the talks in Ashgabat to coordinate political problems.

Russia: Kozyrev in San Diego; Upbeat on U.S.-Russian Ties

MK1608131796 Moscow NEZAVISIMAYA GAZETA in Russian 16 Aug 96 p 1

[Report by Andrey Poleshchuk: "Restoring the American Dream"]

[FBIS Translated Excerpt] Shortly before nominating Bob Dole and Jack Kemp as Republican candidates for president and vice president, the Republican party's official campaign platform entitled "Restoring the American Dream" was circulated at the convention in San Diego. Naturally enough, it stresses the domestic problems of American society resulting from the Bill Clinton administration's "erroneous policy" and the ways by which Republicans solemnly promise to end the exposed shortcomings. [passage omitted]

In the view of Andrey Kozyrev, former Russian Federation foreign minister, one should not take the Republicans' tough campaign rhetoric with regard to Rus-

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sia too seriously. Kozyrev is in San Diego as a distinguished guest of the Republican Party. He will also attend the Democratic convention in Chicago late in August. Kozyrev participated the other day in a discussion on U.S. foreign policy problems, where the main characters present were former U.S. secretaries of state in Republican administrations — Henry Kissinger, Alexander Haig, Lawrence Eagleburger, as well as ex-President George Bush. In the words of the former head of the foreign policy department, Russia managed to fruitfully work with different American administrations and, precisely at the moment when the Republicans were in power, both sides managed to achieve considerable breakthroughs in bilateral relations.

"I think that we should not be afraid of the Republicans and react too painfully to their present tough talk with regard to us. The reality lies in the fact that the Americans will not accomplish anything without Russia or under conditions of confrontation with Russia. Incidentally, it would be nice if those in Russia, too, should digest the truth that we are not going to do anything good without the United States. I think that hard realities will put the administration, after the elections, before the need to reckon with Russia," Kozyrev stressed in a conversation with your NEZAVISIMAYA GAZETA correspondent.

The former head of the Russian Federation Foreign Ministry is confident that Dole is under no circumstances Russia's enemy. Of no small importance, in Andrey Kozyrev's opinion is also the fact that there are close personal relations between Bob Dole and Boris Yeltsin. It was at Dole's invitation that Yeltsin visited the United States for the first time in 1991.

Andrey Kozyrev, to all appearances, will be using his presence in the United States to actively sell a project that, he thinks, is supposed to play a substantial role in strengthening Russian-American relations. In San Diego he stated of the need to found the Joint Nuclear Corporation of the United States and the Russian Federation. In Kozyrev's words, its job would be to extract fissionable nuclear material from nuclear warheads for their use in peaceful purposes. Andrey Kozyrev advised that, as part of this project, Russia had already extracted 12 tonnes of highly enriched uranium, processed it and started selling it to the United States. He is convinced that Russia and the United States ought to join forces in order to jointly enter the promising nuclear technology market.

Russia: Paper Notes Dole's 'Pretty Tough' Stance on Russia

MM1608140296 Moscow TRUD-7 in Russian 16-22 Aug 96 p 3

[Unattributed report: "Dole Is the Official U.S. Presidential Candidate"]

[FBIS Translated Excerpt] Robert Dole and Jack Kemp are the official Republican Party candidates for the post of U.S. president and vice president. That is the decision of the party's National Convention which is being held in San Diego. [passage omitted]

The Republican candidate advocates free trade, a balanced budget, a radical reform of the tax system, and the preservation of social security payments. He is an advocate of an active foreign policy and supports giving U.S. aid to foreign states. With regard to Russia, Dole has a pretty tough stance, believing that U.S. policy should be built, on the one hand, on support for democratic processes, and on the other, that dialogue should be developed with Moscow "with eyes open," putting U.S. national interests first. The Republicans' candidate also advocates the admission of Hungary, the Czech Republic, and Poland to NATO in the near future and the creation of a nationwide ABM system.

Russia: Pilots Reportedly Escaped Afghanistan During Aircraft Maintenance

LD1708103796 Moscow ITAR-TASS in English 1027 GMT 17 Aug 96

[By Oleg Kuzmin]

[FBIS Transcribed Text] TEHRAN, August 17 (Itar-Tass) - Seven Russian pilots, who were illegally detained in Kandahar, Afghanistan, for about a year, have managed to escape and are now in the United Arab Emirates.

They escaped on Friday night, a representative of the Transavia air company from the United Arab Emirates, which leased the IL-76 plane belonging to the Tatar air company Aerostan, told Tass. They are all alive and in good health. At present they are staying in Sharja, UAE, in Hotel Continental. The pilots refuse to meet journalists.

According to the Transavia representative, the pilots managed to convince the Talibs that all the seven crew members should be on board the plane in order to check its technical condition. After they managed to disarm the guards, the plane took off and steered for Sharja.

Representatives of Tatarstan, led by Timur Akulov, head of the External Relations Department of the republic,

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came to Sharja today. They are now holding talks with the UAE authorities about sending the pilots home. The pilots will return to Russia in a few days.

The Russian Embassy in Abu Dhabi keeps in touch with the pilots and with the UAE authorities, Russian government sources told Tass in Moscow.

"From the first day of the arrest of the Russian crew by Talibs, the leaders of the Russian Federation had taken resolute steps for setting them free," the sources stressed.

Russia: Tatar President Assigns Credit for Pilots' Escape

LD1708122996 Moscow INTERFAX in English 1144 GMT 17 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 17 (Interfax) - Skilled doctors have been sent to examine the seven Russian airmen, who were held hostage in Afghanistan for over a year, and who managed to escape to the United Arab Emirates on Friday, and give medical aid to them, if necessary, a well-informed source in Moscow told Interfax.

According to him, the pilots from the Aerostan company based in Tatarstan, who were taken hostage by the Taliban grouping in Afghanistan, may return home in a couple of days.

With reference to the details of their escape the source said: the pilots pretended to be willing to conduct maintenance repairs of their plane, and used it to flee from their captors.

Earlier reports said that the pilots were in good health. Russia's embassy to the UAE has been in contact with them constantly.

Tatarstan's President Mintimer Shaymiyev told journalists on Saturday that negotiations on their soonest return to Russia were in progress. They will return today or tomorrow, he said.

The liberation of the pilots can be put to their own credit first of all, Shaymiyev said. "Russian agencies and a number of republics" also exerted a lot of efforts to gain this goal, he added.

The seven Russian airmen were taken hostage on August 3 last year, when Taliban's aircraft forced their IL-76 plane to land. Belonging to the Aerostan company based in Tatarstan (an autonomy in Russia), the plane had been subleased to the Burhanuddin Rabbani government for the transportation of ammunition from Tirana (Albania) to Kabul (Afghanistan) via Sharjah (UAE).

Russia: Taleban Aircraft Gave Chase To Escaping Russian Aircrew

LD1708182796 Moscow Radio Rossii Network in Russian 1700 GMT 17 Aug 96

[FBIS Translated Text] A special plane belonging to the Russian Civil Defense, Emergencies, and Natural Disasters Ministry is expected to fly to the United Arab Emirates [UAE] tomorrow. It will carry an official delegation for talks with UAE authorities on the seven Russian pilots who fled there yesterday from Kandahar, and then bring the airmen home. RIA has learned that the precise timing of the flight will depend on how quickly the necessary visas are issued by the UAE Foreign Ministry and formalities connected with the special flight settled.

We remind you that the seven Russian pilots, whom Afghan insurgents held in Kandahar for over a year, escaped yesterday. Under the pretext of carrying out a maintenance check on their Il-76 plane, they managed to start up the aircraft and fly off to Sharjah, taking with them three guards whom they had already disarmed.

A representative of the Taleban movement has admitted that a fighter and a helicopter were sent up to chase the fugitives, but they failed to catch them. The Il-76 flew at a low altitude, 50-100 meters, hugging the terrain.

Russia: Yeltsin Sends Ignatenko to UAE To Collect Escaped Pilots

LD1708112196 Moscow ITAR-TASS in English 1111 GMT 17 Aug 96

[FBIS Transcribed Text] MOSCOW August 17 (Itar-Tass) — President Boris Yeltsin has assigned to send Vice Premier Vitaliy Ignatenko to the United Arab Emirates as his personal representative for resolving all problems connected with the return home of seven Russian pilots from the Aerostan air company, government sources reported to Tass today.

The Russian pilots managed to break free from Kandahar, Afghanistan, where they were kept in captivity by militants from the Afghan anti-government movement Taleban, and to fly to UAE.

Russia: Ignatenko Hopes To Return With Pilots To Moscow Tonight

LD1808073296 Moscow ITAR-TASS in English 0715 GMT 18 Aug 96

[By Viktor Khrekov]

[FBIS Transcribed Text] BOARD THE PLANE, August 18 (Itar-Tass) — Special envoy of the Russian president Vitaliy Ignatenko said that he hoped to return to

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Moscow tonight, bringing back the Russian pilots who had escaped from the Taliban captivity in Afghanistan.

In an interview with Itar-Tass on board a special plane belonging to the Russian Emergencies Ministry Ignatenko said that as soon as he arrived in Abu Dhabi he would hold talks with representatives of the leadership of the United Arab Emirates during which many uneasy problems would be settled connected with the release of the Russian crew. The seven Russian pilots are expected to be brought there from Sharjah.

The vice-premier highly assessed the heroic exploit committed by the crew who managed to escape from captivity. At the same time, commenting on the heroism of the Russian pilots, Ignatenko said that their release was "the result of activities carried out by all ministries an departments." According to Ignatenko, there are some details which are too early to disclose yet. Ignatenko said that many countries, including Pakistan, India, the United States and Morocco, had been involved in the solution of the problem of the hostages' release. Contacts had been maintained at the highest level and the Russian Government had been closely following the entire process, including the latest proposals that seven Afghan citizens be released in exchange for the Russian pilots, Ignatenko said. As a matter of fact, these Afghan citizens did not exist and Taleban representatives invented various pretexts to procrastinate the process of the pilots' release. The Russian leadership was prepared to pay any sum to release the pilots, but Taleban representatives did not accept a ransom, he noted. Ignatenko also praised efforts made by the Russian Foreign Ministry and the Russian Ministry for Emergency Situations which did a lot for the pilots' release.

The settlement of the problem of the release of the Russian pilots is not an ordinary diplomatic mission. There are strong apprehensions that Taleban might take measures in retaliation and go as far as enforcing a blockade at the airport in Abu Dhabi. It is not ruled out that an attack might be made both on the people who are flying to save the crew and the pilots themselves who are to be brought to Abu Dhabi.

Russia: Yeltsin Congratulates Pilots Freed From Afghanistan

LD1808152896 Moscow ITAR-TASS World Service in Russian 1408 GMT 18 Aug 96

[By ITAR-TASS special correspondent Viktor Khrekov]

[FBIS Translated Text] A Russian Emergencies Ministry plane, 18 Aug — Russian President Boris Yeltsin has congratulated the crew of the Russian Il-76 plane on their freedom and return to motherland. Prime Minister Viktor Chernomyrdin, Tatarstan's President Mintimir Shaymiyev, Foreign Minister Yevgeniy Primakov have phoned the plane using a special telephone link, whereas Sergey Shoygu, the Russian Minister of Civil Defense, Emergencies, and Nationalities, has called the plane from Groznyy.

Vitaliy Ignatenko, the head of the Russian delegation and deputy prime minister, told an ITAR-TASS correspondent that the special plane of the Russian Ministry for Emergency is expected to arrive at Domodedovo airport at 2130 Moscow time. It was decided that there would not be a grand meeting for the heroic crew — the people, who have not seen their families for over a year, would be given the opportunity to go to Kazan. They would fly there immediately after their plane lands at Domodedovo. The seven brave pilots would return to Moscow on Monday to meet the Russian leadership.

In an interview with the ITAR-TASS correspondent, Ignatenko paid special attention to "the high professionalism of all services of the Ministry for Emergency, which have excelled themselves in this complicated situation."

Russia: Moscow Thanks UAE For Help in Return of Aircrew

LD1808210496 Moscow ITAR-TASS World Service in Russian 1910 GMT 18 Aug 96

[By ITAR-TASS special correspondent Viktor Khrekov]

[FBIS Translated Text] Moscow, 18 Aug — All seven Russian pilots who escaped from the Afghan city of Kandahar, where they had been held captive for over a year, safely arrived in Moscow tonight. The aircraft of the Ministry of Civil Defense, Emergencies, and Natural Disasters of the Russian Federation flew from Abu Dhabi and landed at the Domodedovo airport in the capital at 2150 Moscow time.

The Russian Government expresses immense gratitude to the United Arab Emirates for their role in ensuring the return home of the Russian crew, Deputy Prime Minister Vitaliy Ignatenko, special representative of the president, told the ITAR-TASS correspondent. At the same time, he noted that securing the return of the Russian pilots from the UAE was a difficult diplomatic task. The difficulty lay in the fact the UAE side initially insisted that the three guards from the Afghan Taleban movement remaining on board, who had been disarmed by the crew, should also be handed over to Russian representatives. This, however, would have been fraught with great problems in terms of international relations. In the end, the UAE side was persuaded to free only the Russian pilots. The Russian leadership, various

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departments, and Foreign Minister Yevgeniy Primakov all played their part in this.

The Russian leadership made great efforts to ensure the release of the pilots from captivity in Afghanistan, V. Ignatenko continued The Russian Government was even prepared to pay a huge ransom of several million dollars. But now, thanks to the crew's heroic efforts, both they and the money, which had been in Abu Dhabi all the time, have returned home.

At the same time, the ITAR-TASS correspondent learned from sources in the Russian delegation that, in addition to diplomatic efforts to secure the pilots' release, there had been plans to mount special operations with the use of several departments. All these, however, could have resulted in numerous casualties and serious complications.

Talking to the ITAR-TASS correspondent, crew commander Vladimir Sharpatov expressed immense gratitude to the Russian leadership for their efforts to secure the pilots' return home. It is no coincidence that all members of our crew voted for Boris Yeltsin in the presidential election. The motherland has not forgotten us, V. Sharpatov said. He also expressed gratitude to the leadership of Tatarstan and to the republic's president, Mintimer Shaymiyev.

Today the Russian pilots are flying to Kazan. In a week's time they are expected to return to Moscow, where the Russian leadership will give them a ceremonial reception.

Russia: Crashed Plane May Have Been En Route to Libya

LD1908105496 Moscow Russian Television Network in Russian 1000 GMT 19 Aug 96

[FBIS Summary] "Vesti" newscast correspondent Vladimir Martynov reports from the scene of the crash of a Russian Il-76 aircraft near Belgrade. After giving some details of the crash the correspondent continues:

"Your correspondent has managed to discover that the aircraft belonging to the Urals air company, Speyr airlines, was leased to carry freight to Malta." After further details of the crash he continues:

"At 1000 a commission had already arrived from Russia. The site of the tragedy has been cordoned off by the police at present, filming is forbidden and even officials of the Russian embassy, at the moment when the Vesti correspondent visited the site of the tragedy, had still not received permission from the Yugoslav police to go to the site of the accident.

"Someone I spoke to, who wishes to remain anonymous, does not rule out that the cargo which, it is supposed, was en route for Libya may have been of a military nature. If this is true, this may complicate Yugoslavia's already delicate international position. That the freight was secret is given indirect confirmation by the fact that the information was still being concealed from Russian representatives this morning."

Russia: Moscow Urged To Cautiously Step Up Ties With Baghdad

MK1908053796 Moscow NEZAVISIMAYA GAZETA in Russian 16 Aug 96 p 4

[Report by Aleksandr Lavrentyev under the "Cooperation" rubric: "The Contemporary Russia and a Future Iraq. Moscow Should Take Flexible Approaches to Relations With Baghdad"]

[FBIS Translated Excerpt] [passage omitted]

In 1994, President Yeltsin announced Russia's readiness to act as a mediator in the conflict between the United States and Iraq. In its official statements Moscow began to lay claim to the role of main defender of Iraqi interests on the international scene. Such major Russian companies as "Rosvooruzheniye," Russia's main arms exporter; the LUKoil oil concern, with which the Iraqis are negotiating a $2.25 billion contract; and others have spoken in favor of closer ties with Iraq. Many Russian Federation components are also interested in normalizing relations with Iraq.

But the West is not interested in Moscow's mediation, let alone the development of bilateral Russian-Iraqi economic relations. If Washington opts to lift sanctions, it will easily do so without us.

It seems that Russia should not allow itself to give up the close relations with certain countries it developed over decades for the sake of expedient considerations that more often than not stem from outside pressure on our country.

As regards the sanctions imposed on Iraq, it should be noted that Russia has been too conscientiously complying with them, whereas Western firms have in the meantime been indirectly penetrating deep inside the Iraqi economy. One day, when the lifting of the sanctions is announced — it cannot be ruled out that this will happen all of a sudden — Russia might find itself upstaged. All that will be left to us is to acknowledge that Baghdad has already established economic — and military — cooperation, but it did so.... with the West. If we leave Iraq, we will no longer be able to return to this country; furthermore, our place will undoubtedly be taken, and not by the United States alone. In all

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likelihood, it could be France, which used to be Iraq's second most important arms supplier, and the second largest consumer of Iraqi oil. Nowadays Paris also has something to offer to the Iraqis as far as military deliveries are concerned. Believe me, it will not hesitate to do so on the very first day after the lifting of the sanctions. At any rate, they are already trying to build bridges. We might well come too late.

Of course, our losses cannot be measured in lost contracts alone. Or in Iraq's $7-billion debt. Or in the unrealized profits of Russian oil companies. Moscow's reluctance or inability to fulfill the allied obligations that had been assumed by the Soviet Union with regard to a number of Near Eastern states has caused a certain syndrome of distrust in us as allies. True, relations with the former Soviet allies had to be transformed, there is no doubt about it, but not severed.

To sum it up: The repayment of the Iraqi debt, the traditional market for our defense production, the joint development of oil fields, Iraq's proximity to our borders and its important location in the Near and Middle East — it all cannot but make Russia embark right away on serious preliminary preparations for the D-Day; that is, the day of lifting the sanctions. Even at this stage, however, it is essential to devise and pursue a policy that would, on the one hand, help restore business relations with Baghdad and have Iraq's considerable debt repaid, but, on the other, would not turn Russia into the accomplice of a country that flouts international law.

Russia: Conflict With Kazakhstan Over Energy Payment Problems Eyed

MM1908091896 Moscow KRASNAYA ZVEZDA in Russian 16 Aug 96 p 3

[Commentary by Anatoliy Ladin under the "Events and Commentaries" rubric: "Money in the Morning, Power in the Evening? Kazakhstan's Debts to Russian Energy Suppliers Causing Considerable Difficulties to the Two States"]

[FBIS Translated Text] The newspaper KAZAKHSTANSKAYA PRAVDA has published an article by Valeriy Kukharenko which sheds light on the assumptions, long present in the mass media, that a conflict is brewing between Russian and Kazakhstani energy suppliers in the regions of Western Siberia and Northern Kazakhstan.

From information in the article supplied by "Sibirenergo" OES [expansion unknown] General Director Vladimir Molodetskiy, it becomes clear that what lies at the heart of the conflict is again nonpayments.

Kazakhstan has built up a debt of almost $0.5 billion with Russian energy suppliers. This debt is continuing to increase. Until recently the Kazakhstani side paid for energy from Russia with Ekibastuz coal. But now the Kazakhstani coal miners would like to receive "real" money for their output. Which means that in this case the republic must in turn pay off in money its debt to the Russian energy suppliers, who will then be able to buy coal from the Ekibastuz miners for their thermal power stations in Omsk Oblast and the Troitskaya GRES [state regional electric power station] in the Urals.

It would seem to be the simplest thing in the world to cut off supplies of Russian energy sources to defaulting consumers. But the high-voltage power lines built back in Soviet times to link the energy-rich regions of Siberia to energy-deficient Omsk Oblast run across the territory of Kazakhstan.

Among other approaches to resolving the present problem there is the idea of running a 620-km high-tension power line from the "Mikhaylovskoye" switching point in the Altay to the "Tavricheskaya" substation in Omsk Oblast — an idea which is receiving serious attention from Russian scientists and practical energy specialists. The new power line would run exclusively through Russian territory. It would make it possible to supply power to Omsk Oblast while bypassing Kazakhstan. The Russian side considers that the power line will take six months to come on stream.

But this clearly is an extreme measure. Specialists understand that it is disadvantageous to both sides. They consider that a more sensible way out of the present situation is to resume regular coal deliveries from Ekibastuz to Omsk Oblast and to the Urals using interstate mutual offsetting of debts.

Russia: 'Concern' Caused by Flow of Immigrants From Abroad

MM1908085796 Moscow RABOCHAYA TRIBUNA in Russian 16 Aug 96 p 1

[ITAR-TASS report: "Welcome! Or No Entry to Outsiders?"]

[FBIS Translated Text] As many as 100 illegal migrants from the far abroad arrive in Russia every day. This figure was cited by Yuriy Arkhipov, deputy chief of the Russian Federal Migration Service [FMS] Immigration Administration. According to FMS data, illegal migrants arrive from approximately 50 African and Asian states and include a lot of citizens of the PRC.

According to Yu. Arkhipov, particular concern is aroused by the fact that the flow of illegal migrants is not diminishing and that there is no control over this process.

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Political Issues

Russia: Kremlin Denies TIME Report That Yeltsin Needs Heart Surgery

LD1908084096 Moscow ITAR-TASS in English 0805 GMT 19 Aug 96

[By Andrey Shtorkh]

[FBIS Transcribed Text] MOSCOW August 19 (Itar-Tass) — Russia promptly denied a US media report that the health of President Boris Yeltsin had deteriorated and that he needs a heart surgery.

Kremlin spokesman Igor Ignatyev told Tass on Monday that there was no need for the surgery and that the president was currently working in his countryside residence and undergoing a "planned overall medical check-up" before going on vacation.

Time magazine, quoting unnamed Kremlin sources, said on Sunday that Yeltsin's health was so serious that Moscow was considering sending the president abroad, possibly to Switzerland, for double-bypass surgery, according to the Associated Press.

The magazine also said it had obtained a Kremlin medical advisory saying that Yeltsin's cardiac ischemia — constriction of the heart caused by blocked arteries — had deteriorated in mid-June following the election campaign.

However, Ignatyev stressed that "unfortunately, such information adds to the campaign of panic rumours and inventions concerning the health of the president".

"A trip abroad and a visit to any foreign state are not on the workschedule of the president", he said.

Russia: ZAVTRA Says 'Double' Stood In for Yeltsin at Reception

MK1908072896 Moscow ZAVTRA in Russian Aug 96 No. 33, (signed to press 13 Aug 1996) p 4

[Report by Aleksey Pavlov: "The Double Lip-Synched?"]

[FBIS Translated Text] And so once again a big "purge" is under way in the Kremlin. This time in the Presidential Security Service that is now being formed by, of all people, Chubays. Subject to replacement are division chiefs considered to be "pro-Korzhakov" and also each officer suspected of being disloyal to the new [presidential] chief of staff. Only Yeltsin's personal bodyguards are not threatened with dismissal. As to a substantial part of the other officers, they will have to put up with their fate. At best they will be transferred to other jobs.

Against this backdrop, the Security Service is replete with numerous leaks that cannot be checked or confirmed but that cannot be ignored either, especially insofar as concerns the recent presidential inauguration. For instance, there is evidence suggesting that in order to avoid slips and hitches in the process of Yeltsin's reading his oath of allegiance, its text was displayed before him on a monitor covered by flowers on the side of the audience.

Much more stunning are rumors concerning the notorious presidential double who apparently took part in the ceremony on an equal footing with the main actor. In particular, he apparently "faced the people" at the Kremlin reception and was used in some other instances, but experienced observers noted a marked difference between the sluggishly articulated oath of allegiance and the much more robust enunciation of a lengthy toast....

They say that the unit in charge of the double has now also been placed under Chubays' personal supervision. A new stage in the unit's activity began from the moment when the double, who a year before was commissioned as a security officer, was finally persuaded to have an operation performed to remove two fingers from his left hand, which he had earlier categorically rejected. Rumor has it that the double himself is 2-3 centimeters taller than Yeltsin, which can be noticed if his height is measured against the brow line of one bodyguard who is virtually of the same height as Yeltsin. Before the elections the double reportedly was issued an ultimatum: Either an operation or dismissal with the ensuing consequences (before that the double was normally used in the process of transporting B.N. [Boris Nikolayevich Yeltsin] — as an official passenger, while the president himself was delivered to the requisite place by safer routes and methods).

Now, it is believed, possibilities have emerged for a broader employment of the double. He lives almost permanently in a dacha in Barvikha, next to Yeltsin; he even has his own group of bodyguards, while the two men share a hairstylist and an image-maker.

The double's only shortfall is a quite different voice, but the unit in charge of him apparently uses voice doubles who can reproduce and record any discourse with an "original" voice. This method was in fact used at the aforementioned reception. One double lip-synched a record made by another, as is often practiced by pop stars....

The unit in question is also creating a "bank" of video and audio recordings of the president that today is more than 600 hours long, which specialists maintain is quite enough, in the event of the president's terminating his activity for some reason, to create, for one and a half to

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two months, the full illusion of his presence and "intense work" in the Kremlin.

Crazy times, crazy tales....

Russia: Aide Says Yeltsin To Spend Vacation 'Not Far From Moscow'

LD1608144596 Moscow ITAR-TASS in English 1411 GMT 16 Aug 96

[By Artem Protasenko]

[FBIS Transcribed Text] MOSCOW, August 16 (Itar-Tass) — As domestic tensions show no sign of abatement, President Yeltsin has to think twice before leaving Moscow for his earlier announced post-inauguration vacation.

His press secretary Sergey Yastrzhembsky told journalists at a briefing in the Kremlin today that the head of state is thinking about the place where to spend his coming leave.

According to Yastrzhembskiy, one choice has been made: "Boris Yeltsin is planning to spend his vacation "not far from Moscow."

Yastrzhembskiy said the president will have to undergo "a diagnostic examination and a set of necessary preventive procedures."

"Every man has the right to his regular leave off work, and the right to take care of his health even more. This is particularly true for the president, bearing in mind the exhausting election campaign," Sergey Yastrzhembskiy said.

These days the president is pursuing "a regime of semi-vacation," Yastrzhembskiy said. He explained that Boris Yeltsin spends two to three hours every day working intensively with documents, participating in working meetings and conversing by telephone.

Russia: Yeltsin Names Fortov as Deputy Prime Minister

LD1708105796 Moscow INTERFAX in English 1052 GMT 17 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 17 (Interfax) — Russian President Boris Yeltsin has issued a decree appointing Vladimir Fortov as deputy prime minister and chairman of the Russian State Committee for Sciences and Technology, the presidential press service said on Saturday.

Russia: Yeltsin To Check Candidates, Fill Cabinet Vacancies Soon

LD1608204796 Moscow INTERFAX in English 1703 GMT 16 Aug 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] [no dateline as received] President Boris Yeltsin described the government's new composition as "professional and good" and underlined that this government was chosen not on the basis of private or party loyalties but on individual business qualities, presidential press secretary Sergey Yastrzhembskiy told journalists Friday.

He added that the remaining posts will be filled within a week.

Yastrzhembskiy cited Yeltsin as saying that if there were several experts in the government earlier who did not enter the new government, it does not mean that they worked badly. The Cabinet needs "fresh blood," Yeltsin said.

Yeltsin also wants "to closely familiarize himself with candidates to the vacancies in the government," Yastrzhembskiy said. This may take place in the near term because Yeltsin is "in the regime of half-vacation," he said. Yastrzhembskiy said Yeltsin daily works over documents in the Kremlin for two to three hours or in his residence near Moscow, he meets with people, speaks over the telephone. Simultaneously Yeltsin "is thinking over a place to spend his vacation near Moscow," Yastrzhembskiy said.

The president, who is going through diagnostic examination, is "in a working state," Yastrzhembskiy said.

Explaining why the president gave extra powers to Security Council Secretary Aleksandr Lebed, the presidential spokesman said that Yeltsin is eager to find "the quickest concrete way to a peaceful solution of the Chechen conflict."

Yastrzhembsky revealed that before signing the appropriate decree, Yeltsin had met with Lebed and stressed in that conversation that from now on "the brunt of a Chechen settlement will be on the Security Council Secretary's shoulders." Emphasizing that, Yeltsin made a reminder that during his re-election campaign, Lebed had repeatedly pledged to do all he can to resolve the Chechen conflict as soon as possible.

Yeltsin has been closely following developments in Chechnya and has been regularly informed on what is going on there, Yastrzhembskiy added.

According to the presidential spokesman, Yeltsin as Chairman of the CIS Heads of State Council has

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accepted a proposal by the CIS Executive Secretary Ivan Korotchenya to hold the next Council's session in Minsk next December.

The session, according to Yastrzhembskiy, is to discuss a prospective plan of CIS integration for 1996 to 1997 and a CIS outer borders statute. It is also to examine a treaty on the presence and interaction of law enforcement officers in CIS states, issues on legal assistance on civilian and criminal cases, on housing for active and retired servicemen in CIS countries. Preparation for the fifth CIS anniversary to be observed in December will also be discussed.

The president, according to his spokesman, may address the nation for the anniversary of the attempted August 1991 coup. Yastrzhembskiy did not rule out that the address will be voiced in the framework of the Viva, Russia! festival to be held in the Russian capital at that time.

Discussing Yeltsin's current agenda, Yastrzhembskiy reported that the president signed a federal law defining principles for Russia's passport regime, earlier approved by parliament. According to Yastrzhembskiy, the law contains several innovations, intended to simplify trips abroad and the return home for Russians, such as the urgent issuance of visas in case of an emergency. It also defines groups of people having the right to receive diplomatic and business foreign passports.

Yastrzhembskiy said Yeltsin commissioned Prime Minister Chernomyrdin and Moscow Mayor Luzhkov to finally clarify a schedule of preparations for the 850th anniversary of Moscow to be celebrated in 1997. In particular, they are commissioned to monthly inform Yeltsin about preparation for the holiday, including the financing of these works.

Yeltsin also commissioned Chernomyrdin and Luzhkov to consider the proposals contained in a private letter of the prominent Russian artist Mikhail Shemyakin living in the United States which Yeltsin received recently. Shemyakin had proposed steps to improve the teaching of history and the arts in Russia.

Yastrzhembskiy drew the journalists' attention to the fact that Yeltsin had been attentively following the trial of Vladivostok Mayor Viktor Cherepkov. As a result of the trial Cherepkov was restored to his post from which he had been sacked in December 1994 in line with a presidential decree. This trial was important for Yeltsin as a demonstration of Russia's independent judicial system, he said. Yeltsin, who signed the decree on Cherepkov's dismissal, "does not intend to appeal against the court's decision," Yastrzhembskiy said.

Russia: Yeltsin Rejects Kulikov's Offer To Resign

LD1708103196 Moscow INTERFAX in English 1011 GMT 17 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 17 (Interfax) — Russian President Boris Yeltsin and Interior Minister Anatoliy Kulikov had a brief telephone conversation on Friday after Yeltsin received the letter of resignation submitted by Kulikov, well-informed sources in the Kremlin told Interfax.

Yeltsin instructed the interior minister to continue to perform his functions, the sources said.

Kulikov tendered resignation in connection with the accusations against him put forward by Russian Security Council Secretary Aleksandr Lebed.

Lebed told a news conference on August 16 following his return from the Chechen capital of Groznyy that "Gen. Kulikov is one of the major culprits of the tragedy in Chechnya."

Russia: Kulikov Addresses Opening of Interior Ministry Conference

LD1708154696 Moscow Russian Public Television First Channel Network in Russian 1400 GMT 17 Aug 96

[From the "Novosti" newscast]

[FBIS Translated Text] In Moscow today, the Ministry of Internal Affairs collegium discussed the charges brought by Aleksandr Lebed against Interior Minister Anatoliy Kulikov at yesterday's news conference. The secretary of the Security Council himself did not take part in the collegium' work, but sent his representative instead. According to his press secretary, Lebed thinks the collegium session will be just a spectacle designed to save Kulikov's face.

Meanwhile, Boris Yeltsin and Anatoliy Kulikov had a telephone conversation on Friday night and, as INTERFAX reports, the president instructed the minister to carry on with his duties.

[Correspondent Onosovskiy] The leaders of the Ministry of Internal Affairs today discussed internal troops' actions during the rebel attack on Groznyy. Anatoliy Kulikov said that all errors must be investigated and appropriate conclusions made. To achieve this, he urged his colleagues to do some constructive work.

[Begin Kulikov recording] During our discussion today of the lessons learned and conclusions drawn from the recent events, I should like us not to descend to self-justification in response to critical remarks, however offensive, about the minister and the Ministry of Internal

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Affairs as a whole. We must address ourselves very seriously to the problems and issues which have to be solved immediately. [end recording]

[Onosovskiy] The minister thinks there are many such issues. Most of them are well known: soldiers receiving insufficient training; frequent lack of coordination between subunits of the Ministry of Internal Affairs and the armed forces; the Chechen police being badly suited for the task; and many other similar problems. Kulikov believes all these problems must be solved in a joint effort. He is, to put it mildly, puzzled by the ultimatum-like tone used by the Security Council secretary.

[Begin Kulikov recording] It may be that Aleksandr Ivanovich Lebed, a man who has only recently began to dip into Caucasian problems, does not yet have a complete understanding of everything. I repeat, I am very sorry he is absent today. Perhaps, his presence would have helped us to sort out things together and to adopt more effective measures. When he began his work there, people were hopeful. One would like this hope to come true. [end recording]

[Onosovskiy] First Deputy Minister Golubets, who returned from Groznyy only yesterday, reported on the situation in Chechnya. It is not yet known what lessons were learned and what conclusions were made by the ministry's top ranks. After the minister's introductory speech, the press was told to leave the conference hall. [video shows session in progress]

Russia: Interior Minister Brushes Off Charges of Ineptness

LD1708181496 Moscow ITAR-TASS in English 1704 GMT 17 Aug 96

[FBIS Transcribed Text] MOSCOW, August 17 (Itar-Tass) — Russian Interior Minister Anatoliy Kulikov brushed off charges of ineptness brought against him by Security Council Secretary Aleksandr Lebed, saying that Lebed "has not fully understood the situation" in the Caucasus.

Speaking at an extraordinary meeting of the Interior Ministry leadership on Saturday, Kulikov stressed that Lebed's appointment as the president's special envoy to Chechnya and his vigorous efforts to accelerate the settlement process have "inspired hopes and we would like these hopes to come true."

Kulikov said he was surprised by the "mentor-like tone" of Lebed's statements "with regard the country's highest officials, including the president" made "in the form of an ultimatum."

"I would like to hope that personal ambitions will not become an obstacle on the path of conflict settlement, for it would have too high a price," the minister.

Speaking at a press conference on Friday, Lebed, who had returned from his trip to Chechnya, blamed the bloodshed in Chechnya on the Interior Ministry leadership and made it clear that Kulikov should leave.

Immediately after that, Kulikov sent a letter to Russian President Boris Yeltsin in which he said that he was ready to leave, but brushed off Lebed's accusations as unfair.

The Interior Ministry leadership decided to hold a meeting on Saturday and invited Lebed to attend.

However, early today, Security Council spokesman Alexander Barkhatov told Itar-Tass that Lebed would not attend the meeting, but would send his representative.

Kulikov expressed regret that Lebed did not attend the meeting, saying that his presence "could help adopt more effective measures" to resolve the conflict in Chechnya.

The meeting was addressed by first Deputy Interior Minister Colonel-General Pavel Golubets who returned to Moscow on Friday after a two-month mission in Chechnya.

Deputy ministry spokesman Yevgeniy Ryabtsev told Itar-Tass that the issues on the agenda were considered "in light of the complaints made on Friday by Russian Security Council Secretary Aleksandr Lebed about the Interior Ministry leadership and personally Minister Anatoliy Kulikov."

He did not disclose the details of the discussion or the decisions adopted by its participants.

Meanwhile, Russian presidential spokesman Sergey Yastrzhembskiy confirmed that Yeltsin had a telephone conversation with Kulikov late on Friday, but declined to disclose its content.

However, media reports said that Yeltsin called Kulikov to ask him to carry on as the interior minister.

At the same time, the Security Council spokesman said Lebed's assessment of Kulikov's performance remained in force, adding that he was not going to change it.

He noted that no one had consulted Lebed over the reappointment of Kulikov as the interior minister.

Speaking about proposals to introduce a state of emergency in Chechnya, the spokesman said that all of them "are just an attempt to disrupt the negotiating process in the republic."

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Russia: Lebed Criticizes Kulikov After Chechen Talks

MM1608144796 Moscow IZVESTIYA in Russian 17 Aug 96 pp 1-2

[Report by Kirill Svetnitskiy: "Yeltsin Will Have To Choose Between Generals Lebed and Kulikov"]

[FBIS Translated Text] Aleksandr Lebed, secretary of the Russian Federation Security Council, today appealed to Russian Federation President Boris Yeltsin to "choose between him and Internal Affairs Minister Anatoliy Kulikov." Speaking yesterday at a press conference following his trip to Chechnya, the head of state's plenipotentiary representative in the Chechen Republic pinned the main responsibility for the dramatic recent events in Chechnya on the Russian MVD [Ministry of Internal Affairs] leadership. "The internal affairs minister has failed to cope with his duties and can no longer remain a minister," Lebed stated.

Our correspondent Kirill Svetnitskiy talks about Aleksandr Lebed's trip to Chechnya which preceded the press conference.

...While still on board the aircraft flying out of Moscow on the morning of 15 August, the journalists accompanying Lebed learned of the Security Council secretary's dissatisfaction with the "political behavior of the general" — K. Pulikovskiy, commander of the Joint Grouping of Federal Troops in Chechnya. Lebed was unhappy that, having received his orders, the general, instead of disengaging the federal troops and the opposition formations to a safe distance, had started discussions with Maskhadov, the chief of the separatists' main staff (we would recall that Pulikovskiy had without authorization started making the implementation of his orders dependent on whether Maskhadov recognized Russia's jurisdiction on Chechen territory).

Around midday Lebed's helicopter landed in Khankala, at the federal troops' base on the outskirts of Groznyy. The Security Council secretary locked himself away for several hours at the headquarters with grouping commander Pulikovskiy, Chechen Republic head of government Doku Zavgayev, and Vyacheslav Mikhaylov, Russian Federation minister for nationalities affairs. According to the parties to the conversation, Lebed informed them about those points in the president's latest edict which speak of the responsibility borne by officials for the breakdown of the process of settling the conflict. Lebed also explained the personnel changes that would be taking place within the apparatus of the Russian Federation president's representative. The interlocutors listened more than they spoke. Some of them looked anxious afterward — Doku Zavgayev was particularly nervous.

Meanwhile, the journalists accompanying Lebed were visiting the Chechen Republic Government House, which is being built by Russian military construction workers right there in Khankala. It is a luxurious palace which looks absurd against the backdrop of the capital of the republic that has been destroyed for the umpteenth time.

After lunch Lebed continued his discussion with Pulikovskiy about the technique of disengaging the troops and separatist formations, as well as about the controllability of the troops and their strict fulfillment of their orders. What was particularly relevant was that after 1600 the president's plenipotentiary representative ordered the officials and journalists accompanying him to get into police all-terrain vehicles that had been prepared in advance. Lebed's press secretary and the journalists rushed to the cars — and it promptly turned out that some colonel of the police had de facto repealed the order of the president's representative, and given the order to chuck the journalists out.

We got to the helicopters in the cab of a truck and flew out to the village of Novyye Atagi. Shirvani Basayev and a group of Chechens with expensive cars were already waiting for us at the Russian fortified ckeckpoint. We were all taken to an enormous private house, where Lebed was met by Aslan Maskhadov and Movladi Udugov, minister for information and the press in the Ichkeria government. Later, in a different house, they were joined by Zelimkhan Yandarbiyev. Two high-ranking representatives of Ingushetia — the republic's President Ruslan Aushev, and Mikhail Gutseriyev, Russian Federation State Duma deputy chairman — also took part in the beginning of the conversation. Several consistent steps toward a settlement were elaborated through joint efforts.

The first step is to move the military formations apart to a safe distance. The following decision was adopted on political questions: to postpone the problem of Chechnya's status, together with the referendum, and to start gradually withdrawing the troops. First from Groznyy itself. This will be the second step toward reconciliation.

However, this point in the talks turned out to be the most difficult. The point is that the agreement envisages the withdrawal of both sides' fighters from the city. But the question of who will be left in authority in the city in that situation is as yet unresolved. The separatists do not want Zavgayev to be in power there. But the issue of stripping him of control of Groznyy is not within Lebed's jurisdiction, it is in the jurisdiction

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of the Russian president himself. However, without the aforesaid second step, any further settlement is impossible. Evidently most of the work being done by Lebed and Yandarbiyev will now boil down to removing this obstacle.

At a short news conference held by the heads of both sides after the talks, Yandarbiyev spoke very warmly about Lebed:

"In my opinion, we trust one another. For the first time in all the years of talks, both sides have laid their cards on the table and spoken honestly."

Lebed was more restrained:

"We had a constructive discussion which has instilled a certain amount of hope in us."

Aleksandr Lebed can be criticized for being prepared to talk to terrorists at a time when Russian soldiers and civilians are being killed by their people's bullets. However, Lebed is apparently far from thinking about "surrendering Chechnya." Judging by his steps, he wants to lead the separatists onto a new level, unfamiliar to them, of an honest political game according to strict rules.

Russia: Chechen Rebel Spokesman Hails Lebed's Move Against Kulikov

LD1608145896 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 1404 GMT 16 Aug 96

[FBIS Translated Text] "In view of the fact that we have been demanding the removal of persons with an interest in prolonging the war, this is a very good start for resuming talks and abiding by agreements already signed," Vagap Tutakov, the plenipotentiary representative of the republic of Ichkeria in Moscow, said in an interview for Ekho Moskvy radio station. He was commenting on the statement by Aleksandr Lebed, secretary of the Security Council of the Russian Federation, on the need for Anatoliy Kulikov, head of the Interior Ministry, to resign.

Tutakov also expressed his confidence that "Kulikov is far from being bottom of the list of those guilty of recent events and of the overall progress of the war in Chechnya."

Furthermore, Tutakov considers the demand of the secretary of the Security Council for Kulikov's resignation "the logical continuation of the purge of Yeltsin's team."

Assessing Lebed's recent actions as a whole, Tutakov stressed that he considered them "very useful and necessary."

Russia: Lebed Refuses To Attend Conference of MVD Senior Officers

LD1708085996 Moscow INTERFAX in English 0844 GMT 17 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 17 (Interfax) — Russian Security Council Secretary Aleksandr Lebed refuses to attend Saturday's sitting of the senior officers of the Ministry of Internal Affairs, Lebed's press secretary Aleksandr Barkhatov told Interfax.

According to Barkhatov, Lebed describes the sitting as "a real show which is meant to save [Minister of Internal Affairs] General Anatoly Kulikov." In Lebed's view, all those who have been invited to attend Saturday's meeting owe their promotions to their chief and will, instead of discussing ways to end the Chechen crisis, be doing their utmost in order to save Kulikov, Barkhatov told Interfax.

That is why Lebed decided to send a police Major General, who serves as his deputy, to the meeting.

Barkhatov refused to see Lebed's demand for Kulikov's resignation as an ultimatum to President Yeltsin.

"It is only normal for the Security Council Secretary who is in charge of efforts to settle the Chechen crisis, to demand the removal of a public servant who hinders moves for a Chechen and regional accommodation," Barkhatov said.

As of this hour, people close to Lebed received no information on President Yeltsin's response to the demand for Kulikov's resignation.

Russia: Lebed Holds News Conference 16 Aug

LD1608170396 Moscow Radiostantsiya Ekho Moskvy in Russian 1514 GMT 16 Aug 96

[News conference given by Aleksandr Lebed, Russian Security Council secretary, in Moscow on 16 August — recorded]

[FBIS Translated Text] Let us begin with some analogies from history and let us recall the recent past — Afghanistan. When we were entering Afghanistan, 90 percent of the population welcomed us, standing by the roadside with flowers in their hands.

However, when we were leaving that country, everyone hated us. How did this happen? This is very simple — 10 percent began to stage combat operations. What 10 percent do I mean? They were, let us put it this way, patriots, who found the stay of any occupation troops on their soil unacceptable, no matter under what pretext; they were people who lost some property and hoped to get it back; religious fanatics, who have got their

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Jihad, their unbelievers and they do not need anything more; mercenaries; soldiers of fortune, who are happy anywhere where there is fighting; and there is also the fifth category, those who as a result of the combat operations lost their relatives and became cruel. They are in a majority and the longer the war continues, the wider this group becomes and not a single army in the world has a chance of winning against these people.

The Soviet army covered the territory of Afghanistan with all manner of bombs, projectiles, and missiles. In the end and after nine years we left Afganistan. We left behind a ruined country. We left having bred, or having secured the breeding of a generation capable only of killing. And it is not just that we simply left — we left with the war intertwined in the tracks of our tanks and woven round the wheels of our vehicles, and the war flared up on our soil.

Now for Chechnya. Here is a brief historical background. We had 38 years of active war there last century, in which 170,000 were killed — and this is with the weapons technology they had in those days. We won, as a result, not by force but by reason. This was a victory won by diplomacy. Shamil was sent to Kaluga, Shamil was sent to Mecca, his son was made a gentleman of the bedchamber, Shamil was given a title of imam and the wild division was set up and, by the way, they were excellent fighters. And the whole question was thus resolved.

After the 1944 deportation, the last [Chechen] guerrilla was killed in 1973, some 29 years after. This was under the system we had in those days, with its powerful means of suppression — we have to agree it was a very powerful system. And they needed 29 years to deal with the problem. If history can teach us anything at all, it should teach us the main thing — that reason must prevail. Unfortunately, we did not use it when we fought in Afghanistan and we are not using it now. In those days we had power and money and, as if by some physical laws, we were trying to compensate for the shortage of reason by using force.

But today we can clearly see the regress. Back in Afghanistan, each of us had a sub-machine gun and enough ammunition. Today the Chechen militia of Doku Gapurovich Zavgayev has just one sub-machine gun per three persons, each with just two ammunition rounds. During Zavgayev's term in office, 2.5 trillion rubles were invested in the republic's economy. Out of which, 1.3 billion were debts for the previous years. Before, when we were fighting, we were helping Babrak Karmal, helping Najib. At least, it looked like something. Today we do not give help and there cannot be any. This is because we have neither reason, nor power, nor money.

After my two visits, the picture in Chechnya became painfully familiar: a subdued country with traces of war at every step; gloomy people; wretched little markets; ruined roads; dirt and blood; malnourished guards at the road blocks, oblivious to everything around them; complete lack of understanding what is international duty — these days it is called constitutional duty. What is all this for? It can be explained. Yesterday I questioned many people. Last night, on my way to a meeting with the 166th Brigade, I asked a serviceman on contract: When was last time he received his wages. In May, he said. It is logical to assume that in a country that has a constitution the August wages should be paid in August. This is just to start with. So, if in May, how did you live then? Well, just like everybody else lived.

Bombs, missiles, and ammunition are used as panacea from all ills, a recipe for everything in life. I saw a crowd of sad soldiers' mothers, their eyes shining with hope and a bitter realization that in many of those eyes the glimmer of hope will have to die.

I have drawn my first conclusions about Chechnya. I will explain. The first conclusion: An impoverished country, with its economy and its armed and other forces and troops half ruined, cannot afford the luxury of fighting a war. A state claiming to be democratic cannot solve ethnic issues with the help of missiles and ammunition. As a result, unjustifiably high losses are suffered by the federal troops in the fighting. The country is forced to a brink of social explosion. Colossal damage is done to Russia's reputation and the nation's morale. This brings about all kinds of crises — financial, banking, energy, and the crisis of nonpayments. A revolutionary situation is quietly creeping up. We have a group [of troops in Chechnya], people who are losing their minds day by day, and who no longer understand what they are doing there. Any two of these ingredients can make such an explosive cocktail mixture that it would shake the whole world.

The state, if it can call itself as such, cannot afford to simulate frantic activity. A man who wrote in IZVESTIYA newspaper is absolutely right: being too concerned with the state of emergency, General Anatoliy Kulikov is only simulating the knowledge of how to solve the situation. And so, the troops are simulating the war, the state mass media simulates objective coverage, the special commission simulates talks, and the government — a day of mourning. I could have signed my name under these words: all this is but simulation and imitation.

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Incidentally, something about the day of mourning. On 10 August, the president signed edicts on appointing me plenipotentiary representative and approving the prime minister's appointment. And on 10 August, we had a day of mourning too. Thus, we now have a mournful prime minister and a mournful plenipotentiary. We are still to discover which swine put these edicts before the president on this day. The picture as a whole can be summed up by a well-known phrase: it is a crazy, crazy world.

First, let us name one of the heroes. He is Kulikov by surname, his name is Anatoliy Sergeyevich, his rank is an army general, he serves as minister of internal affairs.

From the very beginning, from the very first days after we had met we established a rather strange relationship. I noticed I was under surveillance. For three days I enjoyed it, then I had enough and ordered it stopped. It was stopped. It turned out to be from the Interior Ministry. For a long time, they tried to justify themselves: either they were after a criminal, or I or my deputy looked like one. Anyway, we put a stop to it in order not to confuse things even more. But I kept returning to it and trying to understand what it concerned. And now I understand, when on Sunday I toured the checkpoints, I finally realized what it concerned.

It is the self-preservation instinct, the self-preservation instinct. General Kulikov was worried that I would one day look behind the curtain. I did look. And I saw what was going on at these checkpoints. I declare that to treat people like that is a crime. It is a moral crime, a human and a professional crime — whatever. It became clear why, when a lieutenant at a checkpoint is reporting that he has the secretary of the Security Council visiting at 0300, he is screamed at from the other end: Push his mug into the mud, arrest him! The lieutenant feels very uncomfortable: First, I did not do him any harm, second, he does not stand a chance against me; but he still has to listen to all that. Naturally, no one has pushed anyone anywhere, but it is a telling case.

What is the reason behind all that? It lies in the Russian president's edict No. 1330 of 29 December 1995. It says: Make General A. S. Kulikov, the minister of internal affairs of the Russian Federation, solely responsible for overall leadership over providing security, legality, citizens' rights and duties, over protecting law and order, combatting crime, and disarming all illegal armed formations on the territory of the Chechen Republic. Since then, Aslan Maskhadov's subunits entered Groznyy twice, in March and in August. It turned out that everyone had known about it. But who is going to answer for it, in the light of this presidential edict? Answering is an unpleasant business. Why? Instead, we get another sulking expression: Let us introduce a state of emergency. Few are bothered about this.

Some people are just too keen to show each other what they are capable of. This bosses' nonsense, irresponsibility, and the complete mess that is made of the organization and coordination between the armed and other forces cannot be put right by all the courage and valor of the soldiers, officers, and generals. General Kulikov said he will not subordinate himself to me. General Kulikov assumed a very comfortable stance: I have the president above me, I will do what he orders me to do. And if the president does not order me to do anything I will not be doing anything, accordingly. Thus, a situation has arisen where two people with similar duties cannot and will not share the same territory.

This is why I am now calling on Russian President Boris Nikolayevich Yeltsin: Boris Nikolayevich, you are now to make a very difficult choice. Only one of us should remain in the system — either Lebed or Kulikov. In this case, it will be sensible to make public some appropriate plans and stop this madness with resolute and harsh measures. Otherwise, everything will deteriorate into a fight with a man obsessed with a Napoleonic complex.

Russia: Lebed Gives RTV 'Exclusive' Interview on Chechnya 16 Aug

LD1808183196 Moscow Russian Television Network in Russian 1600 GMT 18 Aug 96

["Exclusive" interview with Russian Security Council Secretary Aleksandr Lebed by Zerkalo correspondent Svanidze in Moscow on 16 August following Lebed's news conference — recorded; from the "Zerkalo" program]

[FBIS Translated Excerpt] [Svanidze] Aleksandr Ivanovich, when exactly did you come to the conclusion that Interior Minister Anatoliy Kulikov is one of the main culprits — if not the main culprit — as regards the Chechen tragedy?

[Lebed] When I was going there last Sunday [11 August], I suspected that things were bad over there, but I did not suspect them to be so bad. I saw the picture not from the main entrance but from the rear. People in such moral and physical conditions, given the situation they found themselves in when they have to sell things, engage in extortion... [pauses] They live in holes, they are dirty and infested with lice, their life and death depends on the whims of a local field commander. Road blocks are positioned in an absolutely haphazard way, without taking the terrain into account. Here is a vivid example: There is a road flanked by a forest tract

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on the left and a 25-meter wide forest belt with a very dense undergrowth on the right. And there is a road block on this road. Anything at all can be done with this block, it can be attacked with grenades, fired at or knifed.

[Svanidze] So after you have seen that you have come to a final conclusion?

[Lebed] Yes, yes.

[Svanidze] Have you told Kulikov about that?

[Lebed] Yes I have told Kulikov about that. Two days ago we spent a whole day in the government mulling over the decree signed the day before yesterday. And the leit-motive was: I will not be subordinated to you.

[Svanidze] That was what he told you?

[Lebed] Yes. But I do not seek his subordination. One should carry out one's duties.

[Svanidze] Would you like Kulikov to be brought to account as a criminal — because it followed from your press conference that you regarded him as such — or will you demand that the president should institute a certain hierarchy of ranks making him subordinated to you as to the chief official responsible for Chechnya?

[Lebed] One cannot make demands on the president. The president is the president. It was an appeal to the president to make his choice. But I need such subordinates like a hole in the head.

[Svanidze] In other words, you would like to see Kulikov removed from any activity in the region?

[Lebed] I believe that someone should be held to account for 1,500 killed and injured. According to the presidential decree, Army General Kulikov was the person in charge. It was written in black and white and name by name.

[Svanidze] Imagine that Kulikov is out of the way. Can you see clearly the course you are to take in order to end the war and stop people from killing each other?

[Lebed] Quite clearly. I will not discuss this issue now.

[Svanidze] But have you submitted your plan to the president?

[Lebed] Naturally I have not. These two working trips have made it possible to finalize the plan.

[Svanidze] Your trip to Chechnya had been postponed for a long time. There had been talk that Lebed was about to go to Chechnya, about to go — but he would not. Why was that?

[Lebed] Everybody has pretty quickly forgotten that there was the State Commission for settlement in Chechnya, it was headed by the prime minister, there was a working group to solve the armed conflict headed by Emil Pain. And they all worked, worked, and worked. Did I have to go as a clerk within one of these groups or what?

[Svanidze] In other words, your trip became possible after you were given your new responsible post?

[Lebed] Correct. One should have a point of reference, a starting point.

[Svanidze] As far as you are concerned, to what extent will the end of the war be a matter of principle and on what conditions will the war be ended, or is the main thing to simply stop the war anyway?

[Lebed] I have already said that a poverty-stricken country can not wage wars, it simply can not afford them and that is why the war must now be stopped on any conditions, otherwise it will all come to a sticky end indeed and instead of just one Chechnya we can end up with 15 Chechnyas.

[passage omitted]

[Svanidze] It was mentioned at your previous press conference that there are many lies about the events in Chechnya and that, specifically, Doku Gapurovich Zavgayev is spreading many lies himself. However, you all but failed to mention Zavgayev today. When you speak about those guilty of the Chechen events, do you have in mind Zavgayev too?

[Lebed] In certain situations, when there is nobody to blame, such people are appointed. In this situation Zavgayev has been appointed. In a way he is an unfortunate fellow.

[Svanidze] But Kulikov was appointed too?

[Lebed] Kulikov is in a somewhat different situation. He has an enormous force of internal troops, he had eight months to prepare whereas after Zavgayev was appointed, finances stopped completely. I can put you in charge of anything in the world but if at the same time you depend on me money-wise and I do not give you anything, you can not do anything, right? So here is an answer.

Russia: Chernomyrdin Receives Chechen Leader Zavgayev

LD1908094696 Moscow ITAR-TASS World Service in Russian 0915 GMT 19 Aug 96

[By ITAR-TASS correspondent Gennadiy Yezhov]

[FBIS Translated Text] Moscow, 19 Aug (ITAR-TASS) — Russian Prime Minister Viktor Chernomyrdin held

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a routine working meeting today with Doku Zavgayev, leader of the Chechen Republic, at which they discussed mainly socioeconomic problems and, specifically, issues of financing Chechnya in the second half of the year. An ITAR-TASS correspondent learned this from a source in the government apparatus, who mentioned that the meeting between Viktor Chernomyrdin and Doku Zavgayev lasted about an hour.

The leader of Chechnya is to give a small news conference about the meeting for journalists at Government House.

The source stressed that although today's meeting focused on resolving the socio-economic situation in the Chechen Republic, Doku Zavgayev informed the prime minister in detail about the situation in the republic and about the new attempts to settle the armed conflict there.

Russia: Chernomyrdin, Deputies Discuss Cabinet Operations

LD1908100696 Moscow INTERFAX in English 0952 GMT 19 Aug 96

[FBIS Transcribed Text] MOSCOW, August 19 (Interfax) — Prime Minister Viktor Chernomyrdin held a working conference Monday morning with his deputies to discuss the operation of the new Cabinet, well-informed sources in the Russian government told Interfax.

Viktor Ilyushin, formerly senior presidential aide, took part in the conference for the first time in the capacity of first deputy prime minister. He returned from holiday Monday and started working in the government where he is in charge of social affairs.

The conference was also attended by first deputy prime ministers Aleksey Bolshakov and Vladimir Potanin and Chernomyrdin's other deputies.

Russia: Chernomyrdin Names 'New Old Cabinet'

MK1608140796 Moscow KOMMERSANT-DAILY in Russian 16 Aug 96 pp 1-2

[Report by Andrey Bagrov under the "Government Appointments" rubric: "The New Old Cabinet Is Named"]

[FBIS Translated Text] Finally, the lineup of the new Russian government is announced, and only one deputy prime minister and seven ministers have yet to be named. It contains two main sensations: The elevation of Aleksey Bolshakov, who has become the number-two person in the cabinet, and the non-appointment (at least for the time being) of Yuriy Shafranik, whose chances were until recently seen as fairly strong.

The Lucky Ones

The question of who is who in the new cabinet of ministers was answered by Viktor Chernomyrdin himself, who, as he was introducing his government to the public, called the cabinet members to the White House's Round Hall one after another. The first to appear was Aleksey Bolshakov, followed by Vladimir Potanin, Viktor Ilyushin, Sergey Baburin, and so forth.

For the mass media Aleksey Bolshakov is, perhaps, the biggest unknown among the newly appointed first deputy prime ministers. He is, in a way, a thing in itself. For this reason his elevation to as high as the post of first deputy prime minister — who will supervise not only all of industry, the defense sector, communications, and transport — but who will also fill in for Chernomyrdin during his absence from Moscow, came as a surprise for many. People close to him have a simple explanation for Aleksey Bolshakov's spectacular career rise: He is immune to conflict. During his two years in the government as deputy prime minister he has contrived to retain his image as the defense industry directors' — and the rest of industry's — "own man." Before he arrived in the government in 1994, Bolshakov worked for more than 20 years in the military-industrial sector, and in 1978-1988 he was general director of the Leningrad-based "Dalnyaya Svyaz" ["Distant Communications"] scientific-production association. At the same time, as supervisor of relations with CIS countries in the government, Aleksey Bolshakov has contributed to reviving cooperation between enterprises of Russia and other CIS countries, but not in the trivial way of pushing through customs benefits and financial infusions for them — he placed emphasis on devising new financial blueprints for trade and the repayment of debts to Russia. Aleksey Bolshakov replaced Oleg Soskovets as the head of the "inner council of people's commissars" — the Government Commission on Day-To-Day Matters. There is one difference between Soskovets and Bolshakov, though — the latter has so far made a point of steering clear of any political ambitions. This appears to be the main factor that determined Chernomyrdin's choice, clearly made at the president's prompting. But if the appetite comes with eating, ambitions come with power. Bolshakov's sole vulnerable spot is the "Vysokoskorostnyye Magistrali" ["High-Speed Railways"] Russian Joint-Stock Company, which is building a high-speed link between Moscow and St. Petersburg — a fantastic project by present-day economic standards. Thanks to active government support the Russian Joint-Stock Company has already been crowned "yet another National Sports Fund". [The infamous fund is an organization first headed by Shamil Tarpishchev, Yeltsin's

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tennis coach, and then by the notorious Boris Fedorov. It enjoyed sweeping customs benefits to import alcohol]

Valeriy Serov, too, has visibly moved up in the power hierarchy. At first glance everything appears to be clear: Bolshakov has ceded his former post to his nearest subordinate, chief of the Ministry for Cooperation with CIS Countries. In fact, as government sources assert, the relationship between Bolshakov and Serov is far from a cordial friendship. Some are even more forthright — they say that Serov has repeatedly been criticized by his chief. For this reason even if Bolshakov was a driving force behind Serov's elevation, he was certainly not alone. Now is high time to recall the following fact of Serov's biography: He is the son-in-law of Viktor Chebrikov, the once all-powerful KGB chief. Now it becomes clear where the new deputy prime minister's career boosters are hidden.

The Unlucky Ones

At first glance, Aleksandr Livshits and Viktor Ilyushin, who moved to the White House from the Kremlin, appear to be among the winners. But we shall dare to disagree. What areas in the cabinet's activity are bound to elicit critical fire from all sides? The budget and the social needs. Who are the government's most likely candidates for the role of scapegoat? The people from the Kremlin. Yet, the newly appointed first deputy prime minister Viktor Ilyushin can draw on the experience of Yuriy Yarov, at whom, as is well known, no one has hurled criticism, while Gennadiy Melikyan, minister of labor and social development, might well become his bullet-proof vest. As for Livshits, who became not only deputy prime minister, but also finance minister and the supervisor of all agencies that have a bearing on budget revenue, as he himself put it, constitutes a perfect target.

What lurks behind these appointments: A well-intentioned, albeit hardly promising, expectation that the most difficult jobs should be taken up by the most tested people — even if neither of them has practical experience in their respective new domains — or the ambitions of the new cabinet members? Indeed, if changes in the presidential staff have made the move of Boris Yeltsin's former assistants to the government inevitable, it would have been more logical to make Viktor Ilyushin chief of the government staff — and the post of economy minister would have been a much more suitable job for Aleksandr Livshits — there he would have had enough room to display his conceptual approach to its best advantage, feeding his new chief, First Deputy Prime Minister Vladimir Potanin, who has invaluable practical experience of regulating large-scale investment flows, with fresh ideas. In this case, however, Ilyushin would have hardly become first deputy prime minister — and Livshits, deputy premier.

It is Yuriy Shafranik who has turned out to be really down on his luck. He has as yet been passed over for a presidential edict on appointing a fuel and energy minister. The explanation can be that a person holding this post objectively sits on the fence: On the one hand, there is oil behind him — hence, hard currency and prospects for investment growth, including at the expense of foreign capital — on the other, the crisis-hit and social turmoil-prone coal industry. Shafranik, who has always philosophically remarked — "I get fired once every three months" — could have been held accountable not only for the coal miners' strikes, but also for his caustic remarks against the replacement of oil export duties by new excise duties, which were agreed upon with the IMF. By so doing he could have jeopardized the agreement between the Russian government and the IMF on a loan to rescue the federal budget, which was already under strain in connection with a shortfall of tax revenue.

The Familiar Faces

Although in the government's top echelon personnel changes are considerable, the bulk of the government has remained unchanged. This can be illustrated perfectly well by two examples: Deputy Prime Ministers Oleg Davydov and Aleksandr Zaveryukha have retained their jobs.

Oleg Davydov has repeatedly told the press that he is ready to go. Aleksandr Zaveryukha is traditionally almost the most criticized man in the cabinet of ministers. Furthermore, during the recent meeting of the Gore-Chernomyrdin commission in Moscow things went so far that the two deputy premiers made diametrically opposed statements. Zaveryukha said that the Americans were told that American food imports would be subject to cuts in the future. Davydov, on the contrary, said that the Russian side planned no restrictions on imports from the United States. On the surface, one of the deputy premiers was the odd man out. But the premier acted wiser: Not only did he retain the two ministers so that they will counterbalance one another, but he has also kept his fairly close relations with both of them. As for the row over imports, it was Zaveryukha who was closer to the truth. Quotas on vodka and alcohol imports, allocated between Ukraine, Germany, other European countries, and the United States, have already been put in place. The latest decision by the government commission on protectionist measures in foreign trade, which is headed by Oleg Davydov, is a recommendation to impose restrictions on sugar imports.

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Russia: First Vice Premier Bolshakov Profiled

MM1908110296 Moscow IZVESTIYA in Russian 17 Aug 96 p 2

[Article by Vladimir Perekrest: "First Among the First"]

[FBIS Translated Text] For many people Aleksey Bolshakov's appointment as first among the first vice premiers came as a surprise. But Bolshakov's team thinks otherwise. Here they knew of the appointment about two weeks ago and scrupulously kept silent. Because they knew that their chief, who knows a lot about the top secret defense industry to which he has given over 20 years, would not approve of the leakage of information.

In November A. Bolshakov was 57. He is married and has two sons and a granddaughter, he enjoys the theater, and goes jogging in the morning. He does not smoke. They say he is not partial to alcohol. He has been in the Russian Government since November 1994. Most of his career has been connected with Leningrad. It was there that he graduated from the Electrotechnical Communications Institute and the National Economy Academy. In the defense industry he headed the "Volna" plant, was general director of the "Long-Distance Communications" science and production association, and headed the "high-speed routes" Russian joint-stock company, whose activity and ambitions gave rise to varied reactions from specialists and the press. Bolshakov also began to "enter power" in St. Petersburg — he was first deputy chairman of the Leningrad City Executive Committee.

Many people are now paying attention to Bolshakov's Leningrad past. Let us recall that the city on the Neva has given the capital famous people like Yarov, Khizha, and, of course, Chubays. These names are uttered in the corridors of government house with a special meaning when answering the question of "why it was Bolshakov." Incidentally, he was Chubays' deputy when the latter, as first vice premier, headed the operational commission for payments and accounts.

The new vice premier's duties include leadership of the commission for current questions.

"The main current question is finding the combination in implementing economic reforms and industrial policy which Russia needs today to win the domestic market and promote our goods in other countries,." Bolshakov said in an interview with IZVESTIYA on Friday before a session of the collegium of the Interstate Economic Committee, of which he is still chairman.

Among his immediate tasks Bolshakov cited work on the creation of a taxable base for alcohol output which, he said, will make it possible to increase the budget substantially. In the pipeline is the preparation of presidential edicts and a government decree on the light and textile industry which should lead it out of the crisis with the aid of market mechanisms and not through the injection of funds directly to enterprises.

In industry, Bolshakov said, preference will be given to enterprises working with domestic raw material. In foreign economic cooperation Russia will steel be geared toward priority relations with the CIS countries. "We shall continue to study as we have done the creation of a European union common market. I shall not abandon this question in my new post," Bolshakov said.

Russia: Communists Want To Correct Presidential Election Tally

LD1708131396 Moscow INTERFAX in English 1248 GMT 17 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 17 (Interfax) — The Communist Party of Russia plans to demand that the results of the vote in the July 3 Russian presidential election runoff be corrected, Vadim Solovev, leader of the presidential action committee which supported Communist Party leader Gennadiy Zyuganov in the elections, told Interfax.

The Communists will apply to the court in September in order to correct the results of the presidential ballot in five Russian regions turned in to the Central Electoral Commission, he said.

This will be done "in order to restore the true picture of the balance of political forces in the country and punish officials in electoral commissions responsible for the falsification of the election returns," Solovev said.

Communist pollwatchers with the help of Council of Europe and OSCE [Organization for Security and Cooperation in Europe] observers have discovered incidents regarding the falsification of election returns in some regions, he said.

In some electoral districts votes cast in favor of Zyuganov were registered as votes supporting Yeltsin, Solovev claimed.

"We also discovered that some votes had been seized from Zyuganov and added to the votes cast 'against all candidates on the ballot,'" he said.

The Communists have prepared corresponding materials for the court, Solovev said, adding that Communist pollwatchers were confident of their success in the legal proceedings.

"The Communists managed to make the Central Electoral Commission correct the results of the presidential

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ballot in the internal Russian republic of Mordovia" in August 1996, he said.

However, Solovev declined to name the regions where, as the Communist observers claim, the election returns had been falsified.

"If the heads of the electoral commissions responsible for this learn about that, they will take measures to conceal the falsification of the vote records," he said.

Military Issues

Russia: Yeltsin Signs Edict on Reducing Conscript Service

LD1708221396 Moscow ITAR-TASS World Service in Russian 0906 GMT 17 Aug 96

[FBIS Translated Text] Moscow, 17 Aug (ITAR-TASS) — Russian President Boris Yeltsin has signed an edict "On the duration of the military service of citizens serving as conscripts and performing tasks in armed conflict conditions."

Here is the full text of the edict.

In accordance with the federal law "On defense" and the Russian Federation law "On military obligation and military service," for the purpose of further improving the procedure for doing military service as a conscript in armed conflict conditions, and guided by Article 80 of the Russian Federation Constitution I decree:

1. For citizens doing their military service as conscripts and performing (or who have performed) their tasks in armed conflict conditions, including those being treated (or those who have been treated) in medical establishments as a result of being wounded, shell-shocked, maimed, or being ill as a consequence of the performance of their tasks, the time that they spend performing these tasks and the time that they spend undergoing continuous treatment is to be counted against their period of conscript service using the following formula: one day spent performing tasks (or undergoing treatment in a medical establishment) is to count as two days of conscript military service.

2. The heads of federal executive bodies, in which there is provision for military service, are to ensure the timely release from military service of the citizens specified in Clause 1 of this present edict.

The present edict comes into force from the day it is published.

Russia: Duma Official Urges Yeltsin To Prevent Crisis in Army

LD1908105696 Moscow INTERFAX in English 1032 GMT 19 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 19 (Interfax) — State Duma Defense Committee Chairman Lev Rokhlin said the situation in the army is "highly explosive" and urged President Boris Yeltsin and the government to avert a looming crisis.

In his letter to the mass media that he is going to make public at a press conference on Monday (and a copy of which has been obtained by Interfax), Rokhlin said 392 soldiers have died because of the dire financial situation in the army and the navy since the beginning of the year. One third of them committed suicide.

The number of suicides among enlisted personnel during off-duty time has grown by 20 percent since the beginning of the year, while for officers this indicator has reached 28 percent, the letter said.

Rokhlin said the government owes more than 15 trillion rubles to the army. Months of delays in the payment of salaries to officers have put them and their families in a "catastrophic situation," he added.

As an example, Rokhlin cited an incident six days ago when 1st Lt. Khorushev, deputy company commander of the 242nd Motorized Infantry Regiment of the 8th Army Corps, committed suicide "being unable to stand any longer the hunger feints of his children and his landlady's threats to evict his family for not paying the rent."

"Because of the lack of money, 75 percent of soldiers and sergeants of the 205th Motorized Infantry Brigade in Groznyy who have served their time cannot be demobilized. In the 506th Regiment, 200 soldiers cannot be demobilized" for the same reason, he said.

Rokhlin stressed that the current situation in the army "is similar to a tinderbox around which fire is raging."

In order to "prevent a fire," Rokhlin called for setting up "an efficient body whose authority would be above that of all power structures in order to curb the ambitions of some leaders and ensure real economy of money."

In addition, he believes it necessary to "urgently pay off all debts to the army" and set the defense budget in 1997 at not less than 5.1 percent of GDP.

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Russia: General Deynekin Argues for Increased Air Force Funding

MM1908092796 Moscow ROSSIYSKAYA GAZETA in Russian 17 Aug 96 p 3

[Interview with Army General Petr Deynekin, commander in chief of the Russian Air Force, by Aleksandr Yevsyuk; place and date not given: "Attack! Cover Me. Army General Petr Deynekin, Air Force Commander in Chief, Speaks to Us on Eve of Air Force Day"]

[FBIS Translated Text] [Yevsyuk] We have grown accustomed to our aircraft flying "faster, higher, and further than the rest." But this is not the best possible time, and, with all due respect for the past achievements of aircraft designers, have we lost our priorities?

[Deynekin] Russia has not lost its status as a great air power.

Over the past few years two air armies have been reformed, and two new commands — frontal aviation, and reserve and personnel training — have been created.

Total manpower has been cut from half a million to 162,000, primarily by reducing administrative components. For instance, the number of generals has been cut by almost two-thirds — 130 instead of 330. We have abandoned obsolete aircraft. Now only fourth- generation aircraft, mainly of standard types, are on the flight line. These include the MiG-29 and Su-27 fighters, the Su-24 bomber, the Tu-160 missile platform, the Su-25 ground-attack aircraft, and the Il-78M tanker. The standard of our aircraft and pilots has been repeatedly confirmed by sensations at Le Bourget, Farnborough, Seattle, Melbourne, and Abu Dhabi. After all, nobody in the world can reproduce our acrobatic "tail slide" and "cobra" maneuvers.

Nor has our scientific and technical thought been exhausted. Next-generation machines — the Su27IB and the Su-39 "flying fortress" which have no counterparts anywhere in the world — are just around the corner. The ultramaneuverable Su-37 multirole fighter has already flown — and it is not an experimental model like the American X-31, say, but the prototype of a series-production aircraft.

[Yevsyuk] There has been a very great deal of talk about this new aircraft. What are its major features?

[Deynekin] This aircraft is likely to produce the next revolution in the skies. Its vectored-thrust engines give it unsurpassed maneuverability. The aircraft can perform 360-degree turns, fly at an altitude of up to 18 km, develop a velocity of up to 2,500 km an hour, and has a range of up to 6,500 km. There is virtually no aircraft in the world today that could defeat the Su-37 in close-range combat.

[Yevsyuk] When will it start entering service?

[Deynekin] As soon as we get the money for series production.

[Yevsyuk] As is well known, everyone needs money — perhaps the state has some more pressing problems and the aircraft will have to wait?

[Deynekin] In that case we can expect the Air Force to change from a general-purpose branch of service into a branch of the Armed Forces with "limited combat potential." It is very easy to lose air leadership — we would only have to slacken the pace just slightly and we would find it difficult to regain and retain that leadership.

Our aircraft are now able to maneuver within a very short period of time from one military theater to another. For instance, during research exercises Su-29's and Su-27's with mid-air and ground refueling were able to cover 7,000 km in 12 hours.

Our calculations show that in order to maintain military aviation in a form consonant with the country's national security interests, its appropriations need to be increased by 8 percent, bringing them up to a quarter of the Defense Ministry budget.

[Yevsyuk] But surely there is no direct strategic threat at the moment....

[Deynekin] It is not a question of threats but of the country's priorities. Aviation is not just aircraft, bombs, and missiles, it is also know-how and state-of-the-art technology — including dual-use technology. If we give up our positions in this area we will turn into a raw-materials appendage of the developed world.

In aviation this is well understood. Fliers are people who cannot live without the skies — they make many sacrifices for the sake of their profession and for the great honor of serving their motherland. I consider it my duty to thank all airmen for their endurance and courage and for serving the fatherland truly and faithfully. We are still leaders in the air. But military pilots have a law — attacks break down without proper cover.

Regional Affairs

Russia: Yeltsin Orders Lebed To Restore Order in Groznyy

AU1908112096 Paris AFP in English 1049 GMT 19 Aug 96

[FBIS Transcribed Text] Moscow, Aug 19 (AFP) — Russian President Boris Yeltsin has ordered his national

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security chief Alexander Lebed to "restore the order that prevailed" in Groznyy before the Chechen rebel offensive unleashed on August 6, Yeltsin's spokesman said Monday [19 August].

The ceasefire agreements of May and June should be observed, he reportedly told Lebed.

Russia: Kulikov: Chechnya Events Caused by 'Crisis of Russian Power'

LD1608160996 Moscow INTERFAX in English 1525 GMT 16 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 16 (Interfax) — The August events in Chechnya are not the result of any mistakes of the Interior Ministry or any other law enforcement structure but a testimony to the crisis of Russian power, Interior Minister Army General Anatoliy Kulikov said in an exclusive interview with Interfax Friday.

He voiced this statement in response to accusations made public by Security Council Secretary Aleksandr Lebed at a press conference in Moscow Friday. The latter called Kulikov the major culprit in aggravation of the Chechen crisis.

Commenting on Lebed's statement saying he would force Kulikov's resignation, the interior minister said: "I shall not wait for a presidential decree. I myself will present a resignation letter to the president. I shall probably write it today."

Kulikov said he has advocated a state of emergency in Chechnya ever since Russian troops entered the breakaway region in December 1994. Such a decree was prepared.

"I also persisted in introducing the state of emergency in October after the assassination attempt against Gen. (Anatoliy) Romanov. I insisted on imposing a state of emergency this March at the session of the Security Council where I explained the need for this measure. I declared then that the Chechen crisis may last for decades without introduction of a state of emergency," he said.

"How one can seal off a city with a circumference of 75 kilometers, approached by more 130 roads and thousands of paths?"

According to Kulikov, the interior forces and Russia's interior bodies, 8,000 in number, are guarding and defending 39 important facilities in Groznyy and various field positions, none of which have been surrendered to the rebels.

The efforts of Russia's Interior Ministry were aimed at forming a capable police in the republic which could replace the federal forces in the future. A minimum of 15,000 men were needed for this purpose in line with the presidential plan based on the proposals of the Interior Ministry. Yeltsin agreed to this figure and included it in his plan of settlement, but funds were never provided.

"This mistake is now being repeated: instead of a precise definition of the major subject of the talks, Chechnya's future status, everybody is again bashfully stepping aside. At first they (sidestepped this issue) under the pretext that there allegedly exists a legitimate authority in the figure of Doku Zavgayev, which frankly was illusory in the districts outside Groznyy, though Zavgayev himself was not always to blame in this."

"Then such silence was necessary for the period of the presidential elections. Now we close our eyes on these facts due to insufficient knowledge of the separatists themselves, their insidiousness. The Russian party constantly changes the composition of its delegation at the talks with the separatists. It seems in the last meeting the delegation was chosen by the secretary of the Security Council himself, who chose to include Ingush President Ruslan Aushev. The latter, as many people in the Caucasus know, is a relative of Dzhokhar Dudayev."

The separatists, Kulikov said, "have ever more artfully closed in on their aims at these negotiations, and use the cease-fires to increase their own combat potential."

While analyzing his participation as head of the interior forces group in Chechnya and later as interior minister, Kulikov reported that his colleagues and he undertook appropriate moves aimed at strengthening local interior forces. They have started a struggle against crime which was already bringing positive results.

As the conflict dragged on, the combat ability and the state of technical equipment of the forces continues to fall, Kulikov said. "I informed the president on the catastrophic situation in the (ministry) forces due to undermanned units, lack of equipment and shortages in logistics and maintenance supply on February 7 at the session of the Security Council," Kulikov said. "Not a single ruble was added to outfit the interior forces in Chechnya.

Mentioning the statement voiced by Lebed on Friday, Kulikov said: "I am not convenient for many people, not only for Lebed. Many people do not like, in particular, my proposal to liquidate "the off-shore hole" which Chechnya has effectively become."

"I privately voiced my objections last Tuesday regarding illegal claims for unlimited authority in settling the Chechen crisis to Lebed. I felt compelled to comment on the boorishness and obscenities which I heard in response to these proposals. I am afraid he will cripple

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not just one man's fate in his maniac striving for power," Kulikov said.

Russia: Lebed Blames Kulikov for Situation in Chechnya

LD1608155796 Moscow Russian Public Television First Channel Network in Russian 1400 GMT 16 Aug 96

[From the "Novosti" newscast]

[FBIS Translated Text] Perhaps the most important event in settling the Chechen conflict was today's news conference by Security Council Secretary Aleksandr Lebed, who is back from a brief working trip to Chechnya. As is well known, yesterday evening he met Zelimkhan Yandarbiyev, the leader of the Chechen separatists, in the Chechen village of Novyye Atagi. A little earlier he said at the Khankala federal troop base that on Friday he would name those who had initiated the storming of Groznyy on 6 August and who had let the militants into the town. However, only one name was mentioned today:

[Begin recording] [Correspondent Igor Demin] In front of 300 journalists, Security Council Secretary Aleksandr Lebed named the man who in his view is to blame for the situation which has arisen in Chechnya.

[Lebed] General Kulikov has assumed the very comfortable stance whereby his thinking is that he has a president and what the president orders him to do he will do. Accordingly, if the president does not order him to do anything, he will not do anything. The president had issued orders here in the decree — and yet nothing was done. Thus a situation has arisen where two creatures of a kind do not and cannot occupy the same lair [takim obrazom slozhilas situatsiya kogda dva pernatykh v odnoy berloge ne zhivut I zhit ne mogut]. For this reason I am now making the following appeal to Russian President Boris Nikolayevich Yeltsin: Boris Nikolayevich, a very difficult choice lies ahead of you. Only one of us should remain in the system — either Lebed or Kulikov.

[Demin] In saying this Aleksandr Lebed categorically refused to reveal his own plan for a settlement of the crisis in Chechnya before the president has decided the personnel question, saying only that one needs to move toward peace by small steps.

[Lebed] I have to tell you, my friends, quite officially, that I am not cut out to be an official: my spine is not flexible — my pride is not gratified by the title of privy counsellor first class. That's absolutely how it is. The rules that are pushing the country toward the abyss or an impasse are not for me. I have not played and will not play according to them. I have come to serve, voluntarily and consciously. I have come to serve because it is Russia, my country, and my land which I shall never leave on any pretext whatsoever. [end recording] [Video shows news conference]

Russia: Lebed Says Chechnya 'War Has To Be Stopped, Will Be Stopped'

LD1708195596 Moscow Mayak Radio Network in Russian 1208 GMT 17 Aug 96

[FBIS Translated Text] Mayak listeners have probably noticed that for the past few days we have often broadcast interviews with Security Council Secretary Aleksandr Lebed. Well, such is the situation in Groznyy and Chechnya as a whole. Is the peace ever going to come to the Chechen soil? General Lebed believes that it will.

[Begin Lebed recording] Today I should be preoccupied with one goal, to save the prestige of the Russian state, to preserve it as one state, and to save people's lives. Then, all those numerous powers defined in the presidential edict No. 1169 of 14 August, on additional measures to settle the crisis in the Chechen Republic, will have been justified. I repeat once again that I have taken this task upon myself voluntarily, I am ready to carry it out, everyone who stands in my way will be removed from their posts and will instead go fishing and grow strawberries. The war has to be stopped and it will be stopped.

If you look at our television reports, at those pictures coming from Chechnya, and they are naturally broadcast all over the world, soon not only NATO, but CENTO, SEATO, ASEAN, the United Nations, OSCE [Organization for Security and Cooperation in Europe], or whatever else is there will rush to our borders and will establish themselves there. Verified and truthful information is essential. I mentioned at a news conference five days ago that Movladi Udugov was outplaying everyone else in a brilliant manner. And I have to tell you that today all press centers still maintain their silence and have not drawn any conclusions. We need common sense, there is no need to provoke people and play them off against each other. It would not be bad at all if we learned to treat people with respect. What we have now is that everyone is calling each other bandits and fascists — we have no problem with labels — but we should try to understand everyone and to bring everyone to the negotiating table, and to try to solve rationally what cannot be and need not be solved by force.

Any actions that can stop the war, any figures, whether political, religious, or public figures who enjoy respect and can influence the process of solving this problem,

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may and should be brought into play. At present, the work is being carried out at the level of the command of the joint group of Russian forces, between Lieutenant General Pulikovskiy and Maskhadov. This is not bad. Everyone else is not ready, everyone else has huge pouted lips. I recommended to all I could there to acquire an apparatus for rolling and unrolling lips back to what they used to be, to calm down, and to start working constructively. To everyone who is afraid I have always recommended one thing — to wrap themselves up in a bedsheets and to crawl quietly to a cemetery; quietly in order to avoid a panic.

Peace looks hopeful if we manage to solve the issues radically. Perhaps I have made a mistake and have not put a due emphasis on the state the joint group is currently in: exhausted people, driven to the end of their resources and indifferent to everything, who do not know why they are there, do not understand what a constitutional duty means. No one has explained to them any of that either before, or after they arrived there. This is on the one side. And on the other side, we have people who firmly believe that they are fighting for freedom, people who have lost their relatives, in other words people who have quite serious reasons to put up quite a serious fight.

I intend, therefore, to propose a series of radical measures in order to solve this situation, fraught with significant consequences. The war has to be stopped, and the war will be stopped. Zelimkhan Yandarbiyev is neither a relative nor a close friend of mine, I met him for the first time in my life, in that particular case I was charged with a diplomatic mission, and although I am a diplomat with not a very long record I still realize that one cannot begin such missions with abuse. We have managed to achieve something, not a lot, but something has been achieved. I believe we will achieve more. [end recording]

Russia: Lebed's Chechnya Initiative Offers 'Hope for Peace'

MK1908054096 Moscow NEZAVISIMAYA GAZETA in Russian 17 Aug 96 p 3

[Report by Ilya Maksakov: "Lebed Has Leveled Serious Charges Against Kulikov. The Inspection Trip by the Presidential Adviser Has Evolved Into a Public Scandal"]

[FBIS Translated Excerpt] [passage omitted] Lebed's statement came after Boris Yeltsin's press secretary, Sergey Yastrzhembskiy, said that the president had granted him additional powers to ensure that the Chechen conflict is resolved as soon as possible and, of course, only by peaceful means. The general's appeal to Boris Yeltsin to choose between him and Kulikov prompted a statement from the internal affairs minister to the effect that he is ready to submit "his resignation to the head of state." The entire story of Lebed's charges against Kulikov appears strange. Why should the internal affairs minister issue orders to arrest the presidential adviser and secretary of the Security Council? How would Kulikov have explained that order to Yeltsin? By contending that Lebed violated traffic rules in Chechnya? Or that he was carrying weapons for Maskhadov? Or was negotiating Chechnya's secession from Russia behind the president's back? Lebed, if he had reliable information about such an order by the internal affairs minister, should not have made it public at a press conference, demonstrating to all, primarily to the Chechens, the scope of intrigue among the Russian top brass, but should have gone straight to Yeltsin with a confidential report, demanding not only Kulikov's resignation but also a decision of how this could be done without compromising either the Kremlin or the Internal Affairs Ministry or the Russian military in general. In a word, it is difficult to shake off the impression that the plan conceived to discredit Lebed in the president's eyes is being implemented quite successfully — although this is, of course, only a theory. As concerns the outcome of Aleksandr Lebed's meeting with separatist leaders in the village of Novyye Atagi, both parties to the negotiations were on the whole satisfied with the results of the dialogue. The Security Council secretary described the talks as constructive and reassuring. According to Lebed, they discussed the whole range of matters related to the establishment of peace, reaching an agreement on creating an observer commission to monitor compliance with the terms of the cease-fire by both sides. It was also decided to set up an Observer Council that will include secretaries of the Security Councils of the North Caucasus republics of Dagestan, Ingushetia, and Kabardino-Balkaria. The observer commission is to start its work on 18 August. As before, the sides confirmed their adherence to the peace agreements signed in Moscow and Nazran, and supported the idea of a "suspended status" ["otlozhennyy status"] for Chechnya, because, in the opinion of Lebed and his interlocutors, this issue, which calls for serious consideration, should be postponed until purely military matters have been resolved.

The Chechen side, which was represented at the highest possible level, by Zelimkhan Yandarbiyev and Aslan Maskhadov, said that Lebed had confirmed his intention to pull out the troops from the territory of Chechnya, and reiterated the need to create conditions for holding democratic elections in the republic. The sides agreed on the need for a transition period for the normalization of the situation in Chechnya and of the bilateral relations.

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Yandarbiyev's information minister, Movladi Udugov, told INTERFAX that the sides had agreed that meetings at this level should continue. According to him Lebed intends to ask the Russian Federation defense minister to create in Chechnya a special air squadron to control the airspace over the republic "to prevent a repetition of the bombing of Chechen territory by unidentified aircraft." Zelimkhan Yandarbiyev pins great hopes on Lebed's activity and believes that he has every chance for achieving peace in Chechnya and in the whole of the North Caucasus.

So, having taken the Chechen issue fully into his hands, Aleksandr Lebed has brought the coveted hope for peace. Importantly, the interests of neither side have been infringed. Lebed ensured full control over the settlement process and can now prove in practice that he knows how to stop the war. The separatist leaders had their way in upgrading the level of negotiations, also wresting a promise to pull out the provisional joint forces and to hold democratic elections in the republic. Full agreement during the negotiations resulted in the sides not even referring to the Zavgayev administration. [passage omitted]

Russia: Chechens Rally in Support of Lebed

LD1708212796 Moscow Radiostantsiya Ekho Moskvy in Russian 2100 GMT 17 Aug 96

[FBIS Translated Text] About 10,000 inhabitants of Naurskiy and Shelkovskoy Districts of Chechnya took part in a rally in support of Aleksandr Lebed's initiatives for ending military action in Chechnya. The ralliers accused head of the republic Doku Zavgayev of aggravating the situation in the republic.

Russia: Udugov Says Chechens Back Lebed Initiative

LD1708123996 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 0735 GMT 17 Aug 96

[FBIS Translated Text] "Both the fact that meetings were held by Zelimkhan Yandarbiyev and Aslan Maskhadov with Russian Security Council Secretary Aleksandr Lebed and the results of these meetings" were approved at a meeting of the State Committee for Defense last night, Movladi Udugov, the information and press minister of Ichkeria (Chechen separatist term for Chechnya), told Ekho Moskvy radio station.

Furthermore, M. Udugov said, the State Committee has "instructed the republic's leadership to continue work in the same direction."

M. Udugov stressed in particular that "all the commanders of the Chechen armed forces" had participated in the meeting.

Russia: Lebed's 'Presidential Campaign' Seen Already Beginning

MK1708114096 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 17 Aug 96 p 1

[Report by Aleksandr Budberg: "Two Birds of a Feather Cannot Live in the Same Nest. Lebed Starts an Election Campaign"]

[FBIS Translated Text] Yesterday's news conference of Security Council Secretary Aleksandr Lebed brought together an unusually large number of journalists. Small wonder, because Lebed promised to name those responsible for the war in Chechnya. In Lebed's words, the man who bears the main responsibility for the war in Chechnya is Internal Affairs Minister Anatoliy Kulikov. This clearly came as a surprise. Lebed publicly demanded that the president fire Kulikov, otherwise he promised to resign himself. But this was where his revelations ended.

Yet he disclosed many interesting things before that.

With his typical air of self-satisfaction, he likened the situation in Chechnya to Afghanistan. He told journalists about the atrocities newspapers have already repeatedly reported. After that he suddenly made a small, nearly electoral, speech. He said that many people were glad to learn that Lebed became a bureaucrat. But Aleksandr Ivanovich reassured them that he is not a bureaucrat, because his back is too unbending for that. He came to serve his Motherland, his country. At that point he paused, evidently allowing the audience to shed a few tears.

Then the charges against General Kulikov followed. It turned out that he had ordered Aleksandr Ivanovich placed under surveillance so as to keep him away from Chechnya. He also ordered his checkpoints not to let anyone pass without their superiors' orders, although it was Lebed himself who was trying to pass. Most importantly, Kulikov said that he would not obey Lebed's orders.

Frankly speaking, Kulikov's stance is easier to understand than Lebed's. Kulikov has only one superior — the president. After Lebed had "accelerated" the ceasefire in Groznyy and federal forces had been forbidden to carry out combat operations, it was the officers of his ministry who found themselves trapped in an awkward situation: on the one hand, they were ordered not to shoot, while on the other, the Chechens continued the war.

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But this time Lebed is more than firmly determined. He used this news conference in order to present Yeltsin with a question: Who should stay in office, he or Minister Kulikov. Otherwise Lebed did not put forward any constructive proposals on ending the war in Chechnya, limiting himself to customary phrases to the effect that the war must be halted and it will be halted — of course, if this objective is entrusted to him.

The impression is that Lebed, who promised during his election campaign to tackle the problem overnight, realized on his arrival in Chechnya that even he would be unable to resolve it. In order not to break his neck, he decided to bow out with a scandal. Forgetting elementary ethics, he publicly presented the president with a very difficult alternative. Quite obviously, Kulikov does not bear the main responsibility for the developments in Chechnya. Two days ago he was appointed internal affairs minister, for which reason dismissing him — even at the Security Council secretary's public request — would mean losing face for Yeltsin. If Yeltsin cannot bring himself to fire the internal affairs minister, Aleksandr Ivanovich will heroically wash his hands.

The president had scarcely had time to enjoy even a week of his second term, but a presidential campaign has already begun. It is unfortunate that precisely Chechnya has become a place for scoring points.

Russia: Chechen Rebel Basayev Believes Lebed Wants To End War

AU1808143396 Munich ARD Television Network in German 1945 GMT 17 Aug 96

[Interview with Chechen "rebel leader" Shamil Basayev by Sonia Mikich in Groznyy on 17 August; Basayev speaks in Russian with superimposed translation into German — recorded]

[FBIS Translated Text] [Mikich] Do you believe that today's cease-fire talks will yield any results?

[Basayev] I do not know. Time will show. I do not really trust the words of the officials any more. I look at their actions. We will see what happens in the next two or three days.

[Mikich] Basayev also claims that the Russians would only be able to recapture Groznyy amid losses involving thousands of lives. At the moment, the enemy has to negotiate, he says. Basayev only sees one serious partner for talks: Security Chief Lebed..

[Basayev] There is no blood on his hands. He want to achieve something. I believe that Lebed really wants to end the war. The Russians have enough problems: the war, hungry miners, and the desperation of the common folk.

[Mikich] In spite of his mild words, Shamil Basayev is a hard-liner. It is not clear whether he would follow orders if a cease-fire were actually declared tomorrow. His 1,500 men are devoted to him until their death.

Russia: Basayev Interviewed on Chechen Conflict

LD1708102096 London THE INDEPENDENT in English 17 Aug 96 p 8

[Article by Carlotta Gall: "Rebel Lord of Groznyy Revels in His Triumph]

[FBIS Transcribed Text] The master of Groznyy, Shamil Basayev, was sitting in a spartan room in a cellar in the city centre, nursing a wounded foot.

Though in pain, he seemed at ease and very much in control. Notorious for his raid on Budennovsk last year, when his band of fighters seized more than 1,000 hostages in the town hospital, Mr. Basayev, 31, has established himself as one of the most accomplished guerrilla leaders in the world.

Ten days ago he led 1,500 men in an audacious three pronged attack on the garrison town of Groznyy, reaching the centre within half an hour. Since then the Chechen rebels have surrounded thousands of Russian troops in their command posts all over the city.

"The Russians can take the city back. It would take half a year and they would have to destroy the town. They can take it even in a month, but it would cost them 10,000 to 15,000 men," he said. Mr. Basayev, who commanded the defence of Groznyy in the first three months of the 20 month-old war, has presented Moscow with a big challenge.

"The aim of the operation was to take the town and fight the Russian forces at close quarters," he said.

His fighters undoubtedly control most of Groznyy, driving around in captured government Volga cars and police jeeps. Every district has its own headquarters with a top commander in charge.

Every approach to the Russian positions is manned by fighters, recognisable by their camouflage uniforms and berets with green Islamic headbands. The green flag of the independent Chechen Republic of Ichkeria, with its distinctive white-red-white bands, is sewn on their uniforms or berets.

They were polite, especially to a journalist from Britain which retains a good reputation in Chechnya from pre-revolutionary times. Any suspicion they showed was instantly dispelled by a pass bearing Mr. Basayev's personal red stamp with its emblem of the lone wolf. Mr. Basayev is a hero in Chechnya and commands the

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unswerving loyalty of his fighters. He sat calmly in his cellar, just off the central market dressed in a blue-and-whitestriped Russian army T-shirt, his head shaved bald, showing a deep scar on his forehead from a motorcycle accident when he was a boy. Flies landed on his foot. Blood was still seeping through a bandage. A matching gun bullet broke a bone and struck a vein when he was hit two days ago, he said.

"For me it is minor, a trifle," he said. He could run if it was essential. Meanwhile he was on crutches, he said, pointing to a pair in the corner. Russian forces launched another attempt to break through to the city's stadium from the east on Wednesday, he said, but his fighters had held them off.

Russian infantry unsuccessfully launched another push on Thursday morning. Mr. Basayev's deputy for the operation in Groznyy, Aslanbek Ismailov, who also was his second-in-command at Budennovsk, was in charge of the latest fighting.

He said he was not interested in attacking the small Russian posts dotted around the town and on the main bridges. The Chechen side had even prepared leaflets to hand out to the Russians, suggesting they surrender. Fighters would run up to deliver them after shouting to them to hold fire, he said.

The Russian soldiers did not want to fight, Mr. Basayev said, and were reluctant to leave their bases to storm the town again. Mr. Basayev said the rebels' patience had run out after Moscow went back on its word to end the war peacefully when it launched bombing raids in the mountains in July.

Asked if his humiliation of Russia would bring better results than peace talks, he said: "Do you not think Russia humiliated us for 300 years? It cannot even feed its own people that is its humiliation. It should pay its hungry miners rather than spend money on this war. Soldiers were eating dogs from the streets here in January, they were so hungry " he said.

"The mortars are landing on our land, killing our people, and ruining our mountains and villages," he said.

Despite obvious tiredness and faintly shaking hands, Mr. Basayev brightened when he described his fighters' success. They had captured several tanks and armoured personnel carriers, positioning them on the edge of the market to use against attacking helicopters and planes. The Russians now feared to fly close, he said.

He claimed he had personally shot down two planes with a machine gun in the battle for the town. He had lost only 35 men, with 80 wounded, few of them seriously. His estimates of Russian casualties ranged from 2,000 to 3,000, with over 200 armoured vehicles destroyed.

He was sceptical about Aleksandr Lebed's efforts to end the conflict. "I do not believe a single Russian man. The Russians are not people who keep their word," he said. "But there is a hope that we can do something to resolve our fate."

Russia: Chechnya's Zavgayev Views Situation; Force Still an Option

LD1808130896 Moscow Radio Rossii Network in Russian 1100 GMT 18 Aug 96

[FBIS Translated Text] On 18 August, Chechen leader Doku Zavgayev gave an exclusive interview to the Radio Russia news service. Over to special correspondent Nikolay Mamulashvili.

[Mamulashvili] Doku Zavgayev believes the present situation in Chechnya is relatively stable. The last 24 hours passed off peacefully, except for isolated shooting incidents. However, the head of Chechnya added that on the whole the situation remains complicated and that efforts to find a solution to the Chechen crisis must continue. Though the main focus is on peaceful methods, these may have to combined with the use of force, Zavgayev noted.

When I asked him about the tasks now facing the Chechen government, Doku Zavgayev disclosed that during a telephone conversation on 18 August he informed Viktor Chernomyrdin in detail about the state of affairs in the republic and asked the Russian prime minister for humanitarian aid, above all food and medicine. This question will be resolved over the next few days with assistance from the Russian Emergencies Ministry, Zavgayev said.

Referring to the priority tasks facing the Chechen government, Zavgayev said these include the repair of vital infrastructure. During the recent fighting in Groznyy, units of the armed opposition knocked out the water pipeline and severed electricity supplies and telephone links. We have to take steps as quickly as possible to ensure that people can survive in these conditions, Zavgayev continued. According to the Chechnya leader, tens of thousands of civilians are still living in basements. Their food and water supplies are running out. About 40,000 refugees who have settled in outlying areas of Groznyy also need urgent assistance.

Doku Zavgayev concluded: We will do our utmost to make things easier for people.

From Khankala this is Nikolay Mamulashvili reporting for the Radio Russia news service.

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Russia: Chechen Premier Sees Full Disarmament as Only Way to Peace

LD1908125496 Moscow INTERFAX in English 1241 GMT 19 Aug 96

[FBIS Transcribed Text] GROZNYY, Aug 19 (Interfax) — Nothing short of full disarmament by the illegal armed formations could help bring peace to Chechnya; any other option will lead to permanent tensions both in Chechnya and South Russia as a whole, Nikolay Koshman, prime minister of the pro-Moscow Chechen government, said in a statement made available to Interfax on Monday.

It says the Chechen government admits to being responsible for not protecting the civilian population. At the same time, the Chechen authorities described the rebel attack on Groznyy on August 6 as a well-planned and well-prepared action carried out due to negligence by the Russian military command. They say this is evidenced by the rebels' unimpeded infiltration through Russian checkpoints into Groznyy.

The statement says the rebel attack on the city caused renewed casualties among civilians and Russian troops as well as widespread destruction, including rebuilt housing and industrial and social infrastructures. It says all of this was accompanied by violence and looting, widespread shootings and desecration of the dead bodies of civilians and the military.

The pro-Moscow Chechen government speaks of having videotapes of reprisals over civilians and Russian servicemen.

The statement lauds the courage exercised by the republic's fledgling police force and federal troops, who are in control of most of the city amid conditions of chaos and who held to key government facilities in fierce fighting against the rebels.

Chechen officials say attempts by some politicians and the military to resolve the military issue by dividing Groznyy and the republic into areas of influence offers cause for serious concern. "Not only will this worsen the republic's already heavy plight, but it will also put the civilian population into unbearable conditions," says the statement.

Russia: Maskhadov's Cease-Fire Said Aimed at Masking Separatist Action

LD1808121196 Moscow INTERFAX in English 1157 GMT 18 Aug 96

[FBIS Transcribed Text] GROZNYY, Aug 18 (Interfax) — Russia's interior forces said on Sunday Chechnya's rebels were continuing fire and that chief separatist commander Aslan Maskhadov's cease-fire orders were aimed to mask separatist armed action.

"The situation in [the Chechen capital] Groznyy remains grave," an interior forces spokesman told Interfax. "Separatist leaders seek to take over initiative in order to dictate their terms at the negotiations."

The spokesman said rebel forces were continuing to replenish their reserves of food, weapons and ammunition and were restoring their radio communication systems.

Some separatist groups were continuing to assault Russian checkpoints and troop positions, especially at night, he said.

"The interior forces command believes that Aslan Maskhadov's order no. 330 of August 17 to stop hostilities throughout the territory of Chechnya from 10:00 a.m. on Saturday is aimed to mask actions by fighters," the spokesman said.

He said the interior forces command possessed a copy of an ultimatum presented to the head officer of a Russian checkpoint near Groznyy's train station by "Capt. Sultan Astamirov, a (separatist) counterintelligence officer," who advised the checkpoint personnel to surrender "since the posts and units of Russian forces on the territory of the Chechen Republic of Ichkeria were fully blockaded."

"Those who surrender their arms and capitulate will be guaranteed complete immunity and the granting of possible requests," the spokesman quoted the ultimatum as saying.

Otherwise the checkpoint will be destroyed "at any cost, up to the use of gasoline and chemical waste."

Russia: ZAVTRA Sees Western Conspiracy in Groznyy

MK1908072396 Moscow ZAVTRA in Russian Aug 96 No. 33, (signed to press 13 Aug 1996) p 1

[Unattributed field reports by the 'Den' security service under the "Scoreboard" rubric]

[FBIS Translated Text] — According to intelligence reports from Washington, the operation to seize Groznyy right after the second round or after Yeltsin's inauguration was agreed upon by the Turkish intelligence service with Maskhadov and Basayev back in late April, when both rebel leaders went to Ankara. In exchange for their consent to suspend active operations during the elections, the Western and Turkish special services gave the go-ahead (and, consequently, granted large-scale financial and military-technical support) for maximum pressure and any military operations right after

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the inauguration. The planning of the Groznyy operation was done in anticipation of a considerable lull in the fighting, the delivery of weapons to the rebels in May-August, and the launch of special psychological and political actions by U.S. agents in Moscow to coincide with the rebels' head-on attack (the brainwashing of the public by the NTV and RTR channels as well as foreign television, the removal of the power ministers Grachev, Korzhakov, and Barsukov; and the replacement of Tikhomirov, commander of federal troops in Chechnya, who thwarted attempts at disorganizing command and control over the military and precluded spectacular actions in Groznyy). In addition, pressure was mounted in Yeltsin's entourage so as to prevent the imposition of a state of emergency, which envisions the evacuation of all foreigners from the region. The last measure would have undermined the well-oiled mechanism of financing, information intelligence, and psychosocial war.

According to the same sources, the special services of the United States and Germany have assumed the function of coordinating this campaign in the Russian Federation by taking corresponding measures via Chubays (a political coup), Kiselev (propaganda support on television channels), Guldimann (foreign policy support and the internationalization of the conflict), financial support (Gutseriyev, chief and owner of "Bin" bank and currently deputy State Duma speaker). In this regard, the question of dragging Lebed into the process of Chechnya's secession as an initiator of suspending combat operations at the moment when the rebels seized some of Groznyy's districts — for the purpose of creating a semblance of the rebels' military victory and bringing international observers into the negotiating process — emerged as a special point. Another crucial provision of the plan would be the resignation of Internal Affairs Minister Kulikov and his replacement by an incompetent bureaucrat who would disorganize military command and control in the North Caucasus as well as political support in Moscow for combat operations in order "to keep the Caucasus in the Russian sphere of influence..."

— According to Moscow-based diplomats' observations, the preparation for and conduct of the inauguration ceremony have shown that control over Yeltsin is concentrated in the hands of Chubays and Tatyana Dyachenko, who is under the serious influence of Berezovskiy and a number of other figures of the financial community. This circumstance will have a considerable impact on both anti-crisis regulation and the further distribution of property. The emergence of Yeltsin's edict on the procedure for government clerical work on 3 August of this year gives the presidential chief of staff the right to sign all government decrees and essentially to exercise control and supervision over Chernomyrdin's activity.

At the same time, the ideological background of the inauguration has demonstrated the emphasis on three main elements: spirituality (Russian Orthodox trappings of the regime), order, and statehood. These principles were developed in anticipation of the worst-case scenario: the introduction of political authoritarianism in October-November of this year, when the economic and internal political crisis will reach its peak. This scenario calls for a constitutional dissolution of the Duma and the consistent postponement of elections for the lower chamber, with bets placed on the Federation Council. Meanwhile, this emergency scenario is still at the embryonic stage, and it will be studied over the next few weeks in parallel with the formation of a new government staff and anti-crisis measures (the tightening of duty and tax collection, responsibility for budget arrears, and so forth)...

— The procedure of confirming Chernomyrdin's candidacy has revealed yet another characteristic feature of the present day. The stances of Chernomyrdin's "Russia Is Our Home" [NDR] faction and the opposition factions of the Communist Party of the Russian Federation [CPRF] and the Liberal Democratic Party of Russia [LDPR] have effectively converged. Furthermore, Seleznev and — following in his footsteps — the faction leaders did their utmost so as to have Chernomyrdin approved at the first attempt despite the negative stance of the Communist Party itself. In the meantime, Chernomyrdin's situation manifested itself most graphically in connection with the clerical work edict. At his meeting with the "People's Power" faction, the premier was astonished by the contents of the edict, of which he was absolutely unaware, as he himself acknowledged. Later, speaking from the State Duma's rostrum on 10 August and responding to a question concerning the same edict, Chernomyrdin (apparently, unexpectedly even for himself) took out a page of this document and, holding it up before the Duma, said that for him this was "nothing." This episode appears to have demonstrated the premier's growing discontent with his subordinate situation, which, according to available information, affects the formation of the government. Chernomyrdin was never given a definitive answer as to who his deputy premiers would be before his speech at the Duma. In the past Chernomyrdin finally always yielded to Chubays in such situations, succumbing to his pressure on matters of principle. But now, on the eve of a struggle for inheritance and Chubays's possible attempts to resolve budget problems at the expense of natural monopolies (Gazprom) and regional leaders, the situation has

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changed somewhat. In other words, there are potential sources of contradiction between the head of the presidential staff and the premier, something that is still off screen.

— Simultaneously with the unfolding of the Kremlin intrigues Groznyy was effectively fully seized by the Chechen rebels. While observers interpreted this situation in terms of symbolic pressure on Yeltsin ("we could have done this during the presidential campaign and brought Yeltsin down"), it has immediately had a practical impact on the alignment of forces within the Kremlin personnel. Chubays has been given a pretext to raise the question of Kulikov's being unsuitable for his post, which was a response to the arrest of Karpov, who was transported to Saratov and questioned there on the situation at the State Property Committee. At the same time, Igor Rodionov, the new defense minister, who turned to the government for authorization to use troops in Groznyy, received no answer for two days. This put Internal Affairs Ministry units in Groznyy in a critical situation and added a new source of conflict between the Defense Ministry and the Internal Affairs Ministry. This created the most favorable conditions for pushing through the idea of concluding a temporary cease-fire agreement so as subsequently to turn it into a political recognition of the process of Chechnya's secession. The statements of Rodionov and Kulikov at the State Duma demonstrated a complete confusion of both power ministers, who feel the same pressure that swept Korzhakov and Barsukov aside. On top of this increasing chaos, Chubays managed to have Lebed appointed presidential representative in Chechnya by Yeltsin's edict, something that threatened to ruin the general's career, particularly if he did not accept the idea of concluding an urgent peace with the separatists.

— According to incoming reports, resident agents of virtually all intelligence services of the key powers sent urgent messages to their central offices, announcing the start of an operation codenamed "The General" in connection with Lebed's making contact with the rebel leadership and Russian troops being effectively left to the Dudayevites' mercy. According to a report from Bonn, the BND has drawn up an emergency report to the government, saying that "after a number of certain delays, the final stage of separating the central Caucasus from Russia has entered its crucial phase." The same report points out that on 12 August the factor of "General Lebed," who has been groomed for this role since August 1991, when he joined in a dialogue with representatives of the democrats, could be employed in full measure. Further on, in the next phase the special agencies of the American intelligence community, acting through their representatives on Russian television, "started playing up Lebed's political prestige as the man who saved the Dniester Region and as a possible candidate for the role of Pinochet." The general turned out to be quite useful even during the presidential campaign in the Russian Federation as he saved Yeltsin from "an inevitable defeat." The effort to realize Lebed's potential was given the final impetus after the Security Council secretary (after certain wavering) met with Maskhadov in order to sign a temporary cease-fire accord with the rebels. "From the political point of view," the report goes on, "this step, on which the NTV chief Kiselev has so purposefully insisted, means that the Russian side recognizes that the military campaign has ended at least in a draw, after which an election can easily be held in which an overwhelming majority will vote for secession from the Russian Federation. Then Chechnya will become a subject of international law and the conflict will become international in nature, involving the European Community and NATO. Finally, fundamentalist circles (Saudi Arabia and a number of other countries) will allocate large sums of money for stabilization and the formation of a new regime, which will gain a commanding position in the Caucasus from the point of view of geoeconomics (oil pipelines) and further efforts to form an All-Caucasus multinational confederation that will include all autonomous republics of the Russian Federation and subsequently can include new options of penetrating the area of southern Russia to establish a Muslim curve from Caucasus to the Volga, Central Asia, Afghanistan, and Pakistan..."

Russia: Zavgayev: No Combat Operations While Civilians in Groznyy

LD1908130996 Moscow ITAR-TASS in English 1241 GMT 19 Aug 96

[By Gennadiy Yezhov and Nadezhda Anisimova]

[FBIS Transcribed Text] MOSCOW, August 19 (Itar-Tass) — Russian premier Viktor Chernomyrdin held on Monday a regular working meeting with head of the Chechen Republic Doku Zavgayev where they discussed mostly social and economic problems, including questions of financing Chechnya in the latter half of this year.

Zavgayev also informed the premier in detail on the situation in the republic and new attempts at settling the armed conflict in Chechnya. According to Zavgayev, the two statesmen examined the question on "withdrawing bandit detachments from Groznyy".

However, he stated, "combat operations cannot be permitted while civilians are in the city".

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According to Itar-Tass reporters from Groznyy who refer to the press centre of federal forces in Chechnya, the situation has not improved substantially over the past few days. Rebels continue shooting and armed provocations.

Following understandings between Lieutenant-General Konstantin Pulikovskiy, commander of the army group, and Aslan Maskhadov, chief of the staff of separatists, 114 violations of the ceasefire by gunmen were registered.

Judging by radio interceptions and other sources of information, separatists are hatching large-scale provocations spearheaded against federal troops and population.

Rebels opened fire 20 times over the past 24 hours, including in Groznyy, Kurchaloy, Bamut, Shali, Urus-Martan, Argun and Assinovskaya. Gunmen continue active operations. A battle flared up in the northern part of Khankala (suburb of Groznyy) last night. The rebel attack was rebuffed.

Itar-Tass learnt at the headquarters of Interior Ministry troops in Moscow that five interior troops were killed and another five were wounded as a result of firings by separatists in Chechnya.

Firing engagements continued in Groznyy, Argun and Gudermes on Sunday till 23:00: gunmen shot with firearms virtually at all check points and positions of federal forces. According to information received at the Interior Ministry headquarters, last night and early morning were relatively quiet in Groznyy and other areas of Chechnya.

Gunmen repeatedly stated today over radio channels, including army frequencies, on giving the federal side a three-day period to pull out Russian troops from the Chechen Republic. Otherwise, they intend to launch combat operations, the headquarters of interior troops reported.

Russia: Chechen Spokesman Rejects Alleged Splits in Leadership

LD1608180896 Moscow Russian Television Network in Russian 1600 GMT 16 Aug 96

[From the "Vesti" newscast]

[FBIS Translated Text] Answers to questions usually come more quickly from the Chechen side than from Russian officials. Movladi Udugov [minister of information and press in Zelimkhan Yandarbiyev's government] whom Aleksandr Lebed gave top marks for his public relations work on behalf of the separatists, has already reacted to Basayev's statement and briefly commented on it.

[Begin M. Udugov recording] General Maskhadov stated quite authoritatively today that all units of the armed forces of the Chechen Republic are completely loyal to the general staff and the commander in chief. Maskhadov categorically rejected the insinuation that there are, allegedly, disagreements among the Chechen military. The military-political leadership's orders and decisions are being unconditionally fulfilled and will be fulfilled, whether the enemies of peace in Moscow like it or not. Maskhadov categorically denied reports that he had given an order to take Russian soldiers hostage. He described this and other reports as a psychological attack on Gen. Lebed's peace initiative. [end recording]

Time will tell whether this is so or not.

Russia: Interior Forces General Denies Chechnya Massacre

LD1808165296 Moscow INTERFAX in English 1634 GMT 18 Aug 96

[FBIS Transcribed Text] GROZNYY, Aug 18 (Interfax) — Commander of the Russian interior troops, Col. Gen. Anatoliy Shkirko, in an interview with Interfax Sunday, denied the assertions by representatives of the Chechen separatists, that Russian interior troopers killed several civilians in Groznyy during Saturday night.

Movladi Udugov, the Minister for Information and the Press in the separatist government, had earlier stated that a special unit of the Russian interior troops had "committed a barbaric crime" on Groznyy's Kalinin street, savagely murdering 15 civilians, including infants, women and old people, and cutting off the heads of 13 victims." Twenty people were taken in an unknown direction, said Udugov.

Shkirko said that a large group of separatists had attacked a Russian convoy carrying food and water to an interior troops' check-point last Saturday. "Twenty six rebels were killed and 18 taken prisoner in a clash," said Shkirko. Among those taken prisoner were people of various ethnic origin, he added.

With reference to local residents' accounts, he announced that a gang of Western Ukrainian mercenaries with 20-30 members, is ravaging in this district of Groznyy.

"No complaints have arrived from the local population about the Russian interior troops' illegal actions," said Shkirko.

Udugov said, meanwhile, that the separatist command had demanded the extradition of the servicemen allegedly involved in the crime in Groznyy.

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He said that the rebels had sworn on the Koran to take vengeance for the murder of civilians "directly on the organizers and participants in this savage crime, including the commanders of the interior troops and their families."

According to Interfax sources, Chechen rebel commander Aslan Maskhadov, with reference to the information quoted by Udugov, ordered the field commanders not to pass prisoners to the federal side "until a special instruction is issued."

Russia: Pulikovskiy 'Not Empowered' To Sign Chechen Armistice Agreements

LD1708180696 Moscow Russian Television Network in Russian 1600 GMT 17 Aug 96

[From the "Vesti" newscast presented by Vladislav Flyarkovskiy]

[FBIS Translated Text] [Flyarkovskiy] We have an item about the talks in Chechnya, as the report from Sergey Zenin, our correspondent in Chechnya, is now ready. The report is about today's meeting between Konstantin Pulikovskiy, Russian commander in Chechnya, and Aslan Maskhadov, the separatist side's chief of staff.

[Begin recording] [Zenin] Another meeting, another attempt to resolve the problem without fighting. Konstantin Pulikovskiy emerges from a helicopter not far from the village of Staryye Atagi. This time Aslan Maskhadov was already waiting for him. [Video shows aerial view of grassy expanse traversed by a crossroads, Pulikovskiy emerging from helicopter, accompanied by five armed men, Maskhadov emerging from black Mercedes, accompanied by five armed men, both sitting in tent flanked by two men either side]

The two generals spent three hours in this tent, talking. A great deal was done in that time. Conditions of work of a conciliatory commission were discussed. A document was even elaborated. The chairman of Chechen Republic's State Defense Committee and secretary of the Russian Security Council will each receive one copy of this priceless manuscript. When their signatures have been appended under the text of the document, the commission will commence its work.

However, this is not the main thing. The two generals spoke mostly of war, or, to be more precise, how to stop it. There is an accord, and orders have been signed and commands will be given to the separatist detachments and the federal troops alike and one would like to believe that there will be a cease-fire. [video shows the two commanders sitting opposite each other unaccompanied]

[Maskhadov] Earlier we just used to say that we would cease fire at a given moment, whereas today, orders have already been given to cease fire as of 1000 today, and this is documented.

[Zenin] Konstantin Pulikovskiy said today he was not empowered to sign armistice agreements, but that it was indeed within his remit to order troops not to fire.

[Pulikovskiy] We have jointly come to the view that it is necessary to cease fire, that there should be no more victims, and that peace should come to this land.

[Zenin] Pulikovskiy also expressed the confidence that Federal troops will be completely withdrawn from Chechnya. This process, which is already underway, had to be suspended due to the latest events in Groznyy.

The second meeting between the separatist chief of staff and the commander of the group of Federal forces in Chechnya turned out to be more productive. Today the sides showed they were ready for a compromise. [Video shows what is presumably the venue of the talks, a hollowed out area, with a tank visible on the perimeter, more men armed with weapons and mobile telephones]

Russia: Federal, Separatist Deputy Commanders Meet in Chechnya

LD1608142396 Moscow INTERFAX in English 1353 GMT 16 Aug 96

[FBIS Transcribed Text] SOUTHERN CHECHNYA, Aug 18 (Interfax) — Deputy commanders of the federal troops in Chechnya and Chechen separatist forces held another meeting in Chechnya Friday [16 August] afternoon.

The sides agreed to draft and sign an order ending combat activities and setting areas of responsibility in Groznyy, officials at the Chechen rebel headquarters told Interfax.

The sides also discussed drafting regulations on a commission of observers which is to be set up under a decision taken at a meeting between Russian Security Council Secretary Aleksandr Lebed and Chechen rebel commander Aslan Maskhadov on August 15.

Russia: Chechen Separatists Reportedly Used Irritant Gas Against Soldiers

LD1708173696 Moscow INTERFAX in English 1728 GMT 17 Aug 96

[FBIS Transcribed Text] GROZNYY, Aug 17 (Interfax) — A Russian officer said separatists had used irritant gas against Russian soldiers after fighting resumed on Saturday in Chechnya's capital Groznyy.

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The officer, speaking for interior forces, told Interfax it was still unclear what the gas was but that it made one's eyes burn and water and gave one a tickle in the throat.

He said the rebels used it against interior forces servicemen who manned a checkpoint near the city railway station at 7:15 p.m., after failing to capture the checkpoint.

Use of the gas was reported by the checkpoint commander to the Russian military headquarters in Chechnya, the officer said.

"This was the first instance that (separatist) fighters had used gas against federal troops," he said.

Russia: Yeltsin Signs Edict on Responsibility for Far East Energy Crisis

MM1908104596 Moscow ROSSIYSKAYA GAZETA in Russian 16 Aug 96 p 5

[Russian Federation president's edict No. 1168, signed by Russian Federation President Boris Yeltsin in Moscow, the Kremlin, on 14 August 1996, carried under the headline, "Where Has Our Energy Gone? Into the Protection of the Honor of the Uniform. But People Have Been Left Without Heating and Light": "On the Responsibility of Officials Who Have Exacerbated the Crisis in the Maritime Kray Fuel and Energy Complex"]

[FBIS Translated Text] For a long time there has been social tension in the miners' labor collectives in Maritime Kray caused by organizations' major debts in terms of wages. A check conducted by the Russian Federation President's Main Control Administration has established that the reason for this is the low executive discipline among the kray leadership and the Dalenergo Joint-Stock Company, which has been expressed in the improper use of federal budget funds and the violation of the Federal Law "On State Regulation of Tariffs for Electric and Thermal Energy in the Russian Federation."

With the aim of determining officials' responsibility for the prevailing situation in the Maritime Kray fuel and energy complex, and adopting measures to stabilize it, I decree:

1. To warn Maritime Kray Governor Ye.I. Nazdratenko about failing to fully meet the requirements of the post he occupies.

2. To instruct Maritime Kray Governor Ye.I. Nazdratenko to dismiss Kray Vice Governor M.L. Savchenko from the post he occupies.

3. Maritime Kray Governor Ye.I. Nazdratenko is to adopt by 15 September 1996 measures to stabilize the situation in the kray's fuel and energy complex, pay wages to miners, and implement the Russian Federation president's directive No. Pr-178 dated 26 January 1996.

4. To instruct the YeES Rossii Russian Joint-Stock Company (A.F. Dyakov) that it should raise with the Dalenergo Joint-Stock Company the question of dismissing Yu.D. Basharov from the post of general director of the Dalenergo Joint-Stock Company.

5. The Russian Federation Government is to raise the question of the state of affairs in the Maritime Kray fuel and energy complex with the aim of averting similar situations in other regions and ensuring monitoring of the proper use of funds allocated out of the federal budget.

6. The Russian Federation President's Main Control Administration is assigned the task of implementing this edict.

7. This edict comes into force the day it is signed.

[Signed] Russian Federation President B. Yeltsin

[Dated] Moscow, the Kremlin, 14 August 1996
No. 1168

Economic Issues

Russia: Negative Trends Said Mounting in Economy

MM1608110696 Moscow FINANSOVYYE IZVESTIYA in Russian 15 Aug 96 p ii

[Article by Yevgeniy Vasilchuk: "Authorities Continue To Seek Balance Between Bearing Down on Inflation and Reviving Economy"]

[FBIS Translated Text] In late summer negative trends started clearly mounting in the Russian economy. Of the main macro indicators probably only the inflation rate in July-August could be termed satisfactory. Whereas in July consumer price growth was 0.7 percent, the figures for the first half of August show that prices will not be growing more than 0.8-0.9 percent over the previous month. The official estimate is more optimistic — 0.5 percent.

Producer price dynamics do not look so good. Following the notable decline in May, this indicator increased to 1.6 percent in June, a month ahead of the forecast rise) (Footnote 1) ("Russian Economy: Statistical Forecast No. 8" [Rossiyskaya Ekonomika: statisticheskiy prognoz, No. 8]. Higher School of Economics Macroeconomic Research and Forecasting Institute, Moscow, August 1996). Thus, as Vadim Ivanov, deputy director of the Macroeconomic Research and Forecasting Institute (IMIP), noted, the relationship that broke down in May between the consumer price and producer price indices

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was restored — producer prices are once again running ahead of consumer prices. According to the IMIP forecast, this relationship will be maintained in August-September.

The resumption of cost-push pressure is also evidenced by figures from the Russian State Committee for Statistics [Goskomstat]. In June price growth for means of production and intermediate goods in industry exceeded consumer prices — the figures being 2.2 and 1.9 percent as opposed to 0.9 percent. And the revival of this trend merely confirms the cost-push inflationary potential that has built up in the first half.

On the other hand, price dynamics will be negatively impacted by the Bank of Russia's looser monetary policy [povyshennaya emissionnaya aktivnost] in spring and summer 1996. According to official estimates, the monetary base grew by more than 6 percent a month in April-June. M2 growth is estimated by experts from the "Renaissance Capital" company at 12 percent in June and 6 and 4 percent in July and August respectively.

This, according to specialists from the Institute for the Economic Problems of the Transitional Period, will lead in the months after June to a very probable acceleration in consumer price growth to 1.5-2 percent a month. (Footnote 2) (Institute for the Economic Problems of the Transitional Period. "The Economic and Political Situation in Russia. July 1996" [Ekonomiko-politicheskaya situatsiya v Rossii. Iyul 1996"]).

Unfortunately, the positive impact to be felt from increased demand is clearly overdue. In June, instead of the expected typical seasonal revival, industrial output fell by 1 percent. According to Vadim Ivanov, this is evidence of a dramatic downturn. The revised IMIP forecasts show industrial output falling in July by 4 percent, rising by 2 percent in August, and falling again in September by 3 percent.

The acceleration in the production slump (in September for the first time output will be less than 50 percent of the January 1992 level) together with the likely deterioration of the situation in the financial sector will maintain the considerable rate of decline in real GDP in the second half. This will jeopardize not only the revival of investment and the beginnings of economic growth, but also Russia's achievement by year's end of most of the macroeconomic parameters agreed with the IMF.

The seriousness of the situation is also shown by the actions of the Bank of Russia, which in the past few days has allowed a considerable, although probably short-term, easing of monetary and credit policy. This is shown, in particular, by the rapid fall in the rates on the interbank market and the increased upward pressure on the dollar exchange rate.

In the opinion of Andrey Illarionov, director of the Economic Analysis Institute, a "strong Russian Government" must achieve a breakthrough in the situation and bring about the beginning of economic growth. Another two years of economic decline and there will be no political force in Russia prepared to support not only the current but any other democratic authorities.

Main Russian Macroeconomic Indicators, June-September 1996 (rate of change in percent)

	June	July	August	September
GDP	2	-1	-3	1
Real per capita incomes	7	1	2	2
Real earnings	7	2	2	3
Consumer prices	1.2	1.0	1.0	1.2
Producer prices	1.6	1.8	1.5	1.5
Retail trade turnover	0	2	5	0
Exports to the far abroad	22	-14	6	7
Imports from the far abroad	0	-8	6	3
Registered unemployment	-3.3	-0.2	-0.4	-2.5
Industrial production	-1	-4	2	-3
Housing starts	250	-65	-4	135

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	June	July	August	September

Note: June — actual figures; July-September — forecast figures.

Source: IMIP

Enterprise Price Dynamics

As a percentage of the previous month

	Jan	Feb	Mar	Apr	May	Jun	Jun 96/Dec 95
Industry	103.2	102.7	102.6	102.4	101.1	101.6	114.5
of which:							
means of production	105.4	103.2	102.8	102.9	101.0	102.2	118.7
intermediate goods	103.3	102.3	102.4	103.1	100.9	101.9	114.6
consumer goods	102.8	102.3	102.9	101.6	101.5	100.9	112.5

Source: Russian Goskomstat

Money-Supply Changes in 1996 (at start of month, trillions of rubles)

	Jan	Feb	Mar	Apr	May
M2 money supply	220.8	216.7	229.2	241.8	251.0
as a percentage of the preceding period	-	98.1	105.8	105.5	103.8
of which:					
cash in circulation (M0)	80.8	75.4	80.4	86.7	93.1
as a percentage of the preceding period	-	93.3	106.6	107.8	107.4
noncash funds	140	141.3	148.8	155.1	157.9
as a percentage of the preceding period	-	100.9	105.3	104.2	101.8
M0 as a percentage of M2	36.6	34.8	35.1	35.9	37.1

Source: Bank of Russia

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Russia: Stock Market Takes 'Postive View' of New Government Lineup

MM1608141596 Moscow IZVESTIYA in Russian 17 Aug 96 p 2

[Report by Dmitriy Dokuchayev under the "Stock Market" rubric: "Stock Exchanges Pin Hopes on New Government"]

[FBIS Translated Text] IZVESTIYA has contacted the country's leading stock exchanges to find out the financial market's reaction to the new cabinet ministers.

Natalya Belkina, head of the Russian Stock Market's Analysis Department:

"At the start of the week there was a certain rise in the price of shares in the leading Russian enterprises but now it has slowed down. This is hardly connected with the new appointments. Sensible people understand that there will be no fundamental change in policy."

Igor Doronin, Moscow Interbank Currency Exchange adviser on market conditions:

"The situation in the stock exchange is stable, the dollar exchange rate has risen within the usual range, and there has been no change in the volume of trading. We take a positive view of the new government lineup. We believe that economic policy is in the hands of professionals who will not allow unpredictable or amateurish actions."

Aleksandr Khodunkov, deputy director of the Moscow Central Stock Exchange:

"The arrival of Livshits and Potanin in the government was no surprise. The leadership of the stock market and brokers have greeted the new cabinet with enthusiasm. We are counting on the stabilization of the state short-term bond market and the development of the securities market. This is in the interests of the country and of our stock market."

Russia: Banker Cited on New Economic Council Under Premier

MK1908071896 Moscow NEZAVISIMAYA GAZETA in Russian 17 Aug 96 p 2

[Unattributed report: "Economic Council Under Premier Being Formed"]

[FBIS Translated Text] An Economic Council under Russian Federation Prime Minister Viktor Chernomyrdin is expected to include 10 to 15 people. This was announced yesterday by Vyacheslav Zakharov, Association of Russian Banks [ARB] vice president. In his words, "the new agency will necessarily include representatives of major banks, while it is too early to say who in particular will be represented in the council." At the same time, he pointed out, the ARB head, Sergey Yegorov, can already be seen as the main candidate. "We think that he will work under the direct leadership of the prime minister," Mr. Zakharov said. The ARB is at the moment defining functions and tasks of the economic council. According to Mr. Zakharov, a draft of this status is ready on the whole and it is being "coordinated with ten banks." "They are already sending amendments to the draft document," he advised.

Russia: Livshits: Government To Suspend Privileges for Businesses

LD1908091996 Moscow INTERFAX in English 0857 GMT 19 Aug 96

[FBIS Transcribed Text] MOSCOW, August 19 (INTERFAX) — The Russian government will shortly suspend a host of privileges for Russian businesses as a measure to implement the budget, Finance Minister Aleksandr Livshits said at a news conference in Moscow today.

Stressing that his ministry's key goal this year will be budget implementation, Livshits warned against adopting any retroactive decisions and called for a fight with unaccounted for cash as a first step toward executing the budget.

Livshits quoted forecasts as indicating that next year's annual inflation will be 10 percent, with a budget deficit of 3.3 percent of the gross domestic product.

Russia: Economist Comments on 'Shadow Economy', Taxation

LD1708141296 Moscow INTERFAX in English 1400 GMT 17 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 17 (INTERFAX) — Russia has to combat corruption because otherwise tax collection will never be improved, economist Mikhail Delyagin told the Interfax-AiF financial weekly whose next edition will appear on Monday, August 19.

To force rich tax dodgers to pay taxes, the state needs to fight against tough lobbying in favor of the "shadow economy," he said. Otherwise, state measures to improve the tax collection will concentrate on honest tax payers, Delyagin said.

This may result in Russia's return from depression to economic decline, he said. To stabilize the economy and prepare for combatting corruption, the country needs to take a number of simple measures, Delyagin said. He in particular spoke out in favor of simplifying the taxation of small and medium-sized businesses, restoring the 30-percent reservation of funds for urgent needs of companies which have serious wage arrears and changing the procedure for imposing fines on the nonpayment of taxes on payroll which have not been paid because of financial shortages.

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International Affairs

Ukraine: Udovenko Comments on Russia, Nuclear-Free Zone

WS1508124696 Lvov POST-POSTUP in Ukrainian 10-18 Aug 96 p 2

[Interview with Ukrainian Foreign Minister Hennadiy Udovenko by Viktor Tymoshenko; place and date not given: "We Are Speaking About a Nuclear-Free Zone Openly"]

[FBIS Translated Text] [Udovenko] The Ukrainian Foreign Ministry has addressed Russian Foreign Minister Yevgeniy Primakov with a request to prolong the Ukrainian-Russian dialog, hold negotiations, and give a new impulse to the negotiating process between our countries. Due to the election campaign in Russia, this process was halted. For the time being, the main task is to restore and revitalize this dialog. The main problems of Ukrainian-Russian mutual relations include issues connected with the deployment of the Russian Black Sea Fleet in Sevastopol, which need to be resolved right now, since any delay will affect the life of Sevastopol residents. The Russian Black Sea Fleet owes a great deal for municipal services and electricity.

The issue of delimiting state borders of Ukraine and Russia does not belong to political problems in the neighboring countries' mutual relations. This is a practical issue. For instance, there is the issue of smuggling. Inasmuch as the borders are not delimited, the Russian and Ukrainian sides cannot resolve the problem of smuggling and instigate criminal proceedings against smugglers. This is a paradox. There are many offenses committed in the Kerch Strait area. Both Russian and Ukrainian ships pollute the shores. Who is to be held responsible? There are no borders there.

[Tymoshenko] Hennadiy Yosypovych, last week in Washington, you handed to the U.S. secretary of state Ukrainian President Leonid Kuchma's detailed initiatives "On the Creation of a Nuclear-Free Zone in Central and East Europe." Could you comment on these initiatives?

[Udovenko] The Ukrainian president proposed for consideration an idea to create a nuclear-free zone in Central and East Europe. Former Warsaw Pact countries are now joining NATO and, consequently, they will perform all obligations ensuing from their possible NATO membership. Such countries are entitled to a "nuclear umbrella" and this means that, in general, NATO may deploy nuclear weapons in countries admitted to the North Atlantic alliance. Ukraine is particularly worried by this, inasmuch as on 31 May it removed the last nuclear warheads from its territory and, since 1 July, we have become a nonnuclear state. In addition, we did it voluntarily. We voluntarily gave up the world's third-largest nuclear potential. And now nuclear weapons are to appear at Ukraine's borders again, even if hypothetically. Washington handed letters to Mr. Christopher with our initiatives. [sentence as published] We propose to hold multifaceted consultations and implement these resolutions into life. Norway is an example in this regard. It is a NATO member, but it has no nuclear weapons on its territory. In resolving this problem, we count on Russia's understanding.

Belarusian President Alyaksandr Lukashenka also has proposed this idea. Belarus, however, is de facto a nuclear state today, while Ukraine is free of nuclear weapons. We are speaking about a nuclear-free zone openly today. However, we do not compete with ideas intended to provide security to the European continent. Our main task is to prevent extending nuclear weapons eastward. Ukraine has a full right to this.

[Tymoshenko] Today a UNA-UNSO [Ukrainian National Assembly-Ukrainian National Self-Defense] delegation is visiting Moscow; it has addressed Russian officials with a proposal to exchange 14 Russian border guards for seven UNA-UNSO members who were arrested in Minsk during the [26] April riots. According to the UNA-UNSO, it has reached such an agreement with Chechnya's field commanders. Will you provide some assistance?

[Udovenko] This is an initiative from a public organization, and we cannot forbid it. We, as representatives of the state, have nothing to do with this. However, they have addressed us with a request to help them. We will do this; we primarily help resolve technical problems if they emerge.

A week ago, in Brest at the meeting of foreign ministers of Ukraine, Poland, and Belarus, I addressed my Belarusian colleague with a request to grant amnesty, on the occasion of Independence Day, to the Ukrainian citizens arrested in Minsk, but my request was most likely disregarded.

Ukraine: Spokesman on Kuchma-Yeltsin Meeting, State of Relations

LD1408173596 Moscow INTERFAX in English 1604 GMT 14 Aug 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] Presidents of Ukraine and Russia Leonid Kuchma and Boris Yeltsin meeting after Yeltsin's inauguration in Moscow on August 9 had agreed to take bilateral relations on a new level,

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Kuchma's chief of staff Dmitriy Tabachnik told a briefing in Kiev on Wednesday.

He said other issues were also discussed in the light of some stabilization in relations with Moscow.

He said although the meeting was brief, the two leaders had agreed on a range of measures aimed at implementing earlier accords. Tabachnik said government contacts would be continued on various level.

On the make-up of a new Ukrainian Government, he said it was practically formed and approved. Regional governments are also being formed but not as fast as expected, the chief of staff said.

He said the president and his prime minister were now holding consultations with candidates for newly-established posts.

He said regional governors would appointed by September 1 but district executives a month later.

Tabachnik said six new governors were appointed after thorough examination of candidates within the government and the administration and new appointments would follow soon.

He said the president was expected to outline his own vision of the future of a Ukrainian state at a jubilee meeting in Kiev a day before August 24 marking five years of the country's independence. But he did not elaborate apart from saying it was up to Kuchma as the author of the report to give the details.

A military parade will be held in central Kiev on that day and jubilee meetings and concerts throughout Ukraine. The Kiev-based world center of Ukrainians is to hold a session and a nationwide TV bridge to take place.

Tabachnik said that a Russian bank holding an account for the reconstruction of the Ukrainian Cultural Center in Moscow had agreed to re-open it and the Center will be opened by the Day of Ukrainian Independence.

On the retention of old Soviet symbols on the front of some government buildings, the chief of staff said these were protected as national heritage under an appropriate law.

More importantly, he said, any replacement will be expensive and cannot be carried out until the law is amended.

For his part, Deputy Prime Minister Ivan Kuras said all ministries and departments were instructed to consider the emblem-related issue and bring everything into line with the new constitution.

Ukraine: IMF To Grant $1.5 Billion To Help Introduce New Currency

LD1608205096 Kiev UNIAR in Ukrainian 1840 GMT 16 Aug 96

[FBIS Translated Text] Kiev — According to well-informed sources, an agreement has been reached at the talks with the IMF delegation currently visiting Kiev on granting Ukraine a credit of $1.5 billion to back up the introduction of the hryvna. Further conditions of putting the hryvna into circulation will be discussed on tomorrow.

Ukraine: Cooperation Talks Under Way With U.S. Sixth Fleet

LD1708120596 Kiev UNIAN in Ukrainian 1035 GMT 17 Aug 96

[FBIS Translated Text] Odessa, 17 Aug — Negotiations between the staff of the Ukrainian Naval Forces and the U.S. Sixth Fleet on prospects for deepening bilateral cooperation got under way on 17 August.

Vice-Admiral Charles Abbot, commander of the U.S. Sixth Fleet, told a news conference on 16 August that joint naval exercises and exchange of working and official visits by military delegations of Ukraine and the United States are the most effective forms of consolidating cooperation between the naval forces of the two states within the framework of the Partnership for Peace program. He said that under bilateral agreements, U.S. sailors would pay another three working and one official visit to Ukraine, Odessa in particular, in 1996.

The Sixth Fleet flagship, La Salle, will leave Odessa on 18 August.

Ukraine: Kiev Set To Export Armaments to U.S.

LD1608182896 Kiev UNIAN in Ukrainian 1650 GMT 16 Aug 96

[FBIS Translated Text] Kiev, 16 Aug — The decision by the U.S. Department of State to withdraw Ukraine from the list of states to which the delivery of U.S. armaments and military hardware is banned, in line with the rules of international arms trade, proves that the U.S. Department of State recognizes the balanced policy pursued by Ukraine on the international scene; in particular, its policy of nuclear disarmament, military and technical cooperation, and implementation of the Partnership for Peace program, Anatoliy Kinakh, Ukrainian deputy prime minister for industrial policy, has told UNIAN, commenting on the above decision by the U.S. Department of State.

Kinakh said the lifting of embargo from Ukraine will allow it not just to import modern U.S. military hard-

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ware and relevant technologies, as the statement by the U.S. Department of State says, but also to take a step toward exporting its own armaments to the U.S. market.

At the same time, Kinakh said the decision by the U.S. Department of State is still to be officially confirmed by U.S. President Bill Clinton and authorized by the Congress, which will resume its work in early September.

As is known, on 3 April, the embargo was lifted from Russia and on 17 July, from Georgia, Moldova, Kazakhstan, Turkmenistan, and Uzbekistan.

Ukraine: Economic Cooperation Discussed With Dniester Republic

LD1608132196 Kiev UNIAR in Ukrainian 1145 GMT 16 Aug 96

[FBIS Translated Text] Kiev [no dateline as received] — One of the main issues discussed during the visit to Ukraine of the delegation of the Dniester Moldovan Republic was the issue of economic and humanitarian relations between Ukraine and that republic.

In particular, Igor Smirnov, head of the delegation and head of the local administration said during a news conference on the results of the visit that he had proposed to Ukrainian Prime Minister Pavlo Lazarenko that a number of facilities should be created in the border areas to preserve perishable food and that exchange of goods and machinery should be encouraged. There was a proposal to create a joint venture for processing ammunition, which has been preserved in large quantities on the territory of the Dniester Moldovan Republic since 1946.

Close attention was paid during the negotiations to cooperation in power engineering.

Smirnov stressed that Ukraine and Moldova have joint power engineering systems while all the power engineering sources are situated on the territory of the Dniester Moldovan Republic — Dubosarskaya and Moldovskaya hydropower stations (the latter used to supply Ukraine with nearly 5 billion kilowatt hours). These facilities now need large funds for re-equipment and reconstruction. "We are in a camouflaged economic blockade," Smirnov stressed, meaning the inaccessibility of the credits granted to Moldova by international financial organizations. He said that Moldova has not earmarked a cent for the reconstruction of Moldovskaya hydropower station while using 60 percent of the power produced by the station.

As for cooperation in the humanitarian sphere, the Dniester side desperately needs Ukrainian literature, textbooks, etc.. On its part the Dniester side offers to take each year around 1,000 children affected by the Chernobyl accident for vacations and health programs.

National Affairs

Ukraine: Crimean Prime Minister Interviewed

WS1908102296 Kiev ZERKALO NEDELI in Russian 10 Aug 96 p 2

[Interview with Crimean Prime Minister Arkadiy Fedorovych Demydenko by Volodymyr Prytula; place and date not given: "There Are No Disagreements Between the Crimean Government and the Supreme Soviet" — first paragraph is ZERKALO NEDELI introduction]

[FBIS Translated Text] **During our interview, Crimean Prime Minister Arkadiy Demydenko looked somewhat tired and worried. Indeed, the Crimean Autonomous Republic, like the entire Ukraine, has a lot of problems. But already at the beginning of our talk I could see that Arkadiy Demydenko was mostly concerned with tough criticism often voiced by the deputies and leaders of the Crimean Supreme Soviet against both the Crimean Government and himself.**

[Demydenko] I have been working as prime minister for five months. If someone is so naive to think that during this time it was possible if not to carry out a revolution, then at least to begin to change and stabilize the situation, his approach is simply that of a dilettante, because what we have today in Crimea — this grave financial-economic situation — was not created during the past five months or even during the past two years. This chain reaction began many years ago. For example, why is the current situation in Crimea more complicated than in Poltava or Zaporizhya Oblasts? Because a three-year flurry of periodical changes in both the Crimean Government and the legislature, the activities of the former Crimean president — all this political instability — inevitably led to economic instability. Wage debts to budget-sector employees began to accumulate back in June-July 1995. Truth be told, at the time these debts were not sizable, but they are growing with every passing day.

Let us take our harvest problems. Crimea has been experiencing drought for three years running. The elderly say that they do not remember such a drought over the past 50-60 years. Irrespective of what we did, we simply could not obtain a better harvest this year. The fact that the harvest yield in Crimea this year was 16.7 centners per hectare and that the total grain harvest will be some 900,000 tonnes is quite a good result for this situation. I think that the Ukrainian president understands this; he is today the most realistic thinking

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individual. Like Prime Minister Pavlo Lazarenko, he is a 100-percent pragmatist, who understands the true economic situation and has taken several — quite proper — steps in the sphere of state policy toward such budget means as the sale of alcohol drinks and tobacco. We, as many others, only said that the state must have a monopoly on these goods, but it was he who implemented this decision.

[Prytula] I remember that you had good relations with former Prime Minister Yevhen Marchuk. Does this fact harm your working contacts with the incumbent Ukrainian prime minister?

[Demydenko] I think that in general it is impossible to assess relations as "good" or "bad." The Ukrainian prime minister is the head of the government. In any case, it is he who outlines both economic tactics for the development of the state and the strategy for relations with the regions, particularly with Crimea.

Yevhen Kyrylovych Marchuk knew Crimean problems well and often visited our region. At least we always felt that he supported us — not always financially, but often simply emotionally — on various issues.

Perhaps Pavlo Ivanovych Lazarenko does not know Crimean problems as well as Marchuk did, because he did not visit Crimea to either deal or study our problems. But — compared with Yevhen Marchuk — he is a manager of a different type. Yevhen Kyrylovych Marchuk was rather a politician, while Pavlo Ivanovych is a first-class manager who passed through the hard school of life. The fact that he headed the Dnepropetrovsk Oblast Administration says a lot. When we recently met after a Ukrainian Cabinet of Ministers meeting — during which I was seriously scolded for both failing to fulfill a state grain order and wage debts — he was able to grasp the situation in Crimea within several minutes. We agreed with him that there were certain issues which must be resolved by me in collaboration with the Crimean Government and that certain problems will be resolved with his help. In particular, he promised to help us to complete the construction of the Vylyno-Yalta water pipe. It is a critical issue for Crimea. In order to put it into operation, some 980 billion karbovantsi [K] are needed. Pavlo Ivanovych pledged to consider the granting of a K1-trillion credit to us to settle wage debts.

The Ukrainian prime minister issued specific orders to complete the repair of a gas pipeline from Kharkov via Kherson Oblast to Crimea. Due to this repair, we are not currently receiving gas from the "mainland." If there were no gas extraction in Crimea, we would have been left without gas at all. There is another problem: although we have enough of our own gas now, we do not pump it for storage in our Hlebovske subterranean gas reservoir. This implies that we could be left without gas in the winter. This is a vital issue for us and the Ukrainian prime minister understands this.

The third issue is as follows. He promised to render financial aid to maintain Crimean military settlements, which are burdening the Crimean Government with their numerous problems: they have neither heating, nor water supply, nor power systems; their housing must be repaired and maintained. The Ukrainian prime minister promised to render Crimea relevant assistance. But he said that we should resolve remaining issues on our own. We do not ignore this responsibility and accept it, although the current situation is very difficult.

I think that both Crimean residents and members of the [Crimean] Cabinet of Ministers must know the genuine economic situation. During a recent meeting of the Crimean Government, I demanded that ministers and chairmen of our state committees put forward specific recommendations pertaining to the resolution of the current situation within a month and if no practical results are achieved, I will be forced to remove them from office. The next meeting of the government was even more difficult. We considered it necessary to ask the president to remove two heads of rayon administrations from office. Deputy Rural Minister Oleksandr Krasnychenko and Agricultural Minister Anatoliy Avidzba were severely reprimanded. They deserved this.

[Prytula] Arkadiy Fedorovych, what about your relations with leaders of the Crimean Supreme Soviet? A lot of on this subject were published recently. Many say that these relations are complicated like relations between the Crimean Supreme Soviet and the government in general.

[Demydenko] An impression is being created that someone profits from the fact that there is always some instability in Crimea. Some politicians and certain people, who deal with finances, are making profit from this situation. The saying — it is easier to fish in troubled waters — is correct.

As regards my relations with Supreme Soviet Chairman Yevhen Suprunyuk, I think that they are absolutely normal. If there are some disagreements and contradictions regarding current issues, we try to prove who is right and who is wrong by means of discussions. There are no problems which have to be discussed at the level of the Crimean Government and the Supreme Soviet.

When the last meeting of the government was over, I met with all ministers and chairmen of state committees. I told them: If we are a team, let us think now why we are marking time in certain areas and what we have failed to achieve.

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Many remarks have been voiced and specific proposals have been put forward. As a result, I felt that we are a team and that the people understand and want to collaborate with me. Inspiration and work are most critical factors for a team. I do not it like when the people are forced to work or when they, like small children, receive instructions as to how they should work. One cannot work without inspiration. During this meeting, we decided that we must constructively collaborate with the Supreme Soviet.

We realize that the Crimean Supreme Soviet is a legislative body which elects us and, in fact, we report to it. If we do not approve something, let us provide constructive arguments as to what must be done and why it should be done one way and not in another. On the other hand, today we must burden — in the good meaning of this word — our deputies with the work for the government, that is, they must adopt normative legislative acts and laws based on our proposals.

[Prytula] Recently, Vasyl Shpylkin, head of the Crimean Supreme Soviet Standing Commission for Economic, Budgetary, and Financial Policy, held a news conference, during which he strongly criticized you and your government for the failure to fulfill a Republic budget law. In particular, he said that his commission will insist that the government deliver a report on precisely this issue at the beginning of the new Supreme Soviet session....

[Demydenko] I do not at all understand why the chairman of the Supreme Soviet standing commission, which deals precisely with the budget and finances, expressed his attitude toward the government at a news conference. His commission has the right to check how the budgetary means are spent at any time of day and night. But no one came to me in order to check anything and no one showed me the results of this inspection.

I can assure you only about one thing: not a single karbovanets from the budget has been spent improperly. Any financing from the budget or from other sources has been legal and logical and there have been no financial violations.

[Prytula] Now I think that, apart from the harvest campaign, the primary issue for us is the resort season. People have begun to arrive in Crimea for rest. Perhaps despite everything they still believe that the situation in Crimea is stable.

[Demydenko] Yes, this year the number of those going to resorts in Crimea, compared with 1995, almost doubled. There are no official statistics as to how many vacationers are now staying in Crimea, but the fact that our sanatoriums are full is a good sign. It is very important not to scare away those who have plans to visit us in 1997. Their number must be even higher. We must not scare them away with high prices, poor services, and — what is very important — with political instability.

Much has been done to promote vbacations in Crimea, to install order in resort cities, and to establish a specific system of services. Yalta, Yevpatoriya, Feodosiya, and Sudak have done much in this area. In addition, I think that this situation is also directly credited to the government, the Ministry for Crimean Resorts, and most important, to heads of cities and rayons who handled these issues. Today we calculated July revenues for the budget and compared them with the relevant June data. We have some additional revenues of K330 billion which, of course, are attributed to the vacation season. But it is also necessary to keep in mind that there are also indirect revenues. I imply money received by Crimean residents for fruit which they sold to vacationers. In any case, resorts are one of our primary sources of revenue. In my opinion, this source must become a primary one, because last year, according to our data, revenues to the Crimean budget from our resorts accounted for only 2.5 percent of total revenue. This is a very small amount and this situation does not suit us. Some 2.5 million tourists visited Crimea last year. I think that this figure will stand at some 4 million or even more this year.

[Prytula] But I know that despite the considerable increase in the number of tourists, the Crimean budget is underfinanced.... Is this explained by weak control [over our budget revenues]?

[Demydenko] This is precisely the point. Today primary claims are directed against the Crimean Tax Administration. It should send its tax inspectors, who deal with our industrial and agricultural sectors, to resort centers, which ensure the primary revenue for our budget. We are surprised when bars, restaurants, and show centers in Yalta, Yevpatoria, and Feodosiya operate on a round-the-clock basis, but practically nothing is transferred to the budget. Hence, the conclusion is that taxes are not paid; owners of these bars and restaurants hide their revenues in private pockets. Regrettably, the Crimean Tax Administration does not report now to the Crimean executive power. Perhaps an independent tax authority is wise in normal, civilized countries with highly developed economies. I think that in Crimea the haste in removing the tax administration from the control of Crimean financial bodies was wrong. The situation would have been different if, for example, a tax administration head was nominated as Crimean deputy finance minister, who, along with the finance minister, would be responsible for the budget revenues. But now a tax ad-

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ministration head is only indirectly responsible for the lack of tax revenues to the budget. As of today, our tax deficit stands at K6 trillion. What can be done? We can only scold the Crimean Tax Administration head and express our indignation, nothing more.

[Prytula] Let us return to a question which we have already touched upon: problems with the Crimean agricultural sector, procurement and sale of grain to the state. How is the Crimean Government planning to resolve the situation when farms which took advance payments for grain deliveries to the state are now failing to meet their obligations?

[Demydenko] Yes, they must fulfill their obligations to the country, because the state purchases this grain not to sell it abroad, but to provide bread for both the region and the entire country. Hence, its goal is to feed the people. Therefore, the owner of this grain must understand that he signed a contract with the state precisely for this purpose. If he took an advance payment, he must meet his obligations. No one will take away his grain at no price. In addition, the grain price will not jump around, it has already reached the level of world prices. In addition, we have found an opportunity to increase grain prices by 7 percent. We understand that this will affect the cost of bread in Crimea, but we are forced to take this measure.

[Prytula] What about the fates of Deputy Prime Minister Krasnychenko and Agricultural Minister Avidzba? The issue was raised to remove them from office, but the government did not support your proposal. Do you agree that in this situation accountability is placed on you as Crimean prime minister?

[Demydenko] One way or another, the entire accountability for what is taking place in the government and in the Republic is placed on me as Crimean prime minister. I do not deny this accountability. As regards A. Krasnychenko and A. Avidzba, there were serious charges against them. I as prime minister can remove them from office or propose that the Supreme Soviet do this. But I understand that this can take place only in mid-September when the Supreme Soviet deputies return to work.

I believe that this meeting of the government was a good lesson to those who were punished. After it, they completely changed their attitude toward their work. The most important thing, however, is that results have already been achieved. The tempo of fulfilling state and regional grain contracts has entirely changed. I do not doubt that Crimean residents will have bread and that we will procure critical amounts of grain for both Crimea and Ukraine in general. This is a very complicated task, but we will fulfill it.

[Prytula] But is the government ready to report on this issue to Crimean Supreme Soviet deputies?

[Demydenko] We reported to them back in March and they decided that we must deliver the next report in six months. But we are ready to report on what we have done and on current problems at any time. I am ready to report to them on a daily basis. But should this be done? It is not a proper time for reports. It is necessary now to think what we will do tomorrow and the day after tomorrow. I think that the Supreme Soviet should begin its session with discussing the "Program for Economic Stabilization and Restructuring of Crimean Economy" which was drafted and submitted by us for its consideration. By the way, all ministries and state committees of the Ukrainian Cabinet of Ministers have already considered this program. In addition, this program addresses the period until the year 2010.

[Prytula] Since we have begun to talk about the future, tell me please about the international economic forum which will take place in Yalta on 7-9 October. I know that are one of its initiators.

[Demydenko] We have coordinated the holding of the International Business and Investment Forum — "Crimea 96" — with Ukrainian Prime Minister Petro Lazarenko. He has supported us. In addition, he has issued a resolution recommending heads of administrations in all oblasts of Ukraine to help us organize it. Therefore, we hope that over 500 participants, including some 100 foreign investors, will take part in this event which is of great importance for Ukraine. I hope that we will obtain positive results. If at least 50 investment projects for Crimea are drafted, this will be a good result.

Ukraine: Government Commission Assesses Situation in Crimea

LD1708212096 Kiev UT-1 Television Network in Ukrainian 1800 GMT 17 Aug 96

[FBIS Translated Text] As we have already reported, a government commission has been working in the Autonomous Republic of Crimea during a week. As a control measure, the commission has inspected the compliance with the president's decrees and the Ukrainian Government resolutions directed at solving socioeconomic, political, legal, ethnic, and humanitarian problems and at strengthening law and order in the region.

On 17 August, Vasyl Durdynets, the first deputy prime minister of Ukraine, held a meeting in Simferopol with the heads of government, ministers, the heads of state committees of the republic, the heads of district state administrations and town executive committees. The

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meeting summed up the results of the inspection. A strict analysis of the socioeconomic situation which continues to deteriorate showed that the rate of its deterioration exceeds the average rate in Ukraine and the production and sale of agricultural produce falls. A more effective work of the resort complex has been assessed positively. In January-July 1996 the income of the resorts, upon preliminary calculations, exceeded by 17 percent the results of the same period last year. The budget policy implemented by the Crimean authorities has been severely criticized. When the republic's budget was formed the Supreme Council and the Council of Ministers of the republic put its estimated revenue too high without any grounds. This has resulted in the budget revenue amounting in the first seven months of the year just to 24.8 percent of the estimated sum for the year. The budget departments of the Crimean Ministry of Education, the Ministry of Social Security, and the Ministry of Culture were named as ones allowing the most violations in the planning and use of budget funds. Facts of theft of state funds had been discovered. At the same time, large sums are owed in unpaid wages and other social benefits. The meeting also analyzed the work on resettling Crimean Tatars on the peninsular and representatives of other ethnic groups who are returning from the places of their deportation. Because of the reduction in its funding the resettlement program has been virtually suspended. Serious demands have been placed on the government, law-enforcement bodies and local authorities in the matters of fighting crime and strengthening law and order. It was stressed at the meeting that, altogether, the situation on the peninsular has somewhat stabilized which makes it possible to focus one's attention on solving economic and social tasks. This is being to a large degree facilitated by the establishment of normal cooperation between the central and regional authorities.

Ukraine: Crimean Officials Reprimanded

LD1708140396 Kiev UNIAN in Ukrainian 1200 GMT 17 Aug 96

[FBIS Translated Text] The performance of the Crimean Government was described as unsatisfactory at a conference devoted to the economic situation in Crimea, which was chaired by Ukraine's First Deputy Prime Minister Vasyl Durdynets. The source in the Crimean government has told UNIAN that deputy prime ministers Ihor Ivanchenko and Ilmi Umerov were reprimanded. Deputy prime ministers Anatoliy Yefymenko [as received] and Andriy Senchenko were given notice for a number of blunders. A question was raised on dismissing Crimean Education Minister Anatoliy Solodchenko for the insufficient work on introducing the Ukrainian language as a subject at secondary schools, and the chief of Ukrainian Ministry of Justice Main Directorate in Crimea, Yevhen Skysov [as received].

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Belarus

Belarus: Yeltsin Representatives Hold News Conference

WS1608074296 Minsk BELAPAN in English 0650 GMT 16 Aug 96

[FBIS Transcribed Text] Minsk, 15 August — Representatives of the Russian President's Administration, who are on a visit to Minsk at present, held a news conference on August 15. Aleksandr Kasatkin, deputy chief of the Department for Interaction with Political Parties, Public Movements, Deputies and Factions in the Chambers of the Russian Federal Assembly, said that the Russian delegation had arrived in Belarus at the invitation of President Lukashenka. The Russian visitors intend to study the political situation in the country. Mr. Kasatkin said that the delegation was on a visit to Belarus shortly after the presidential elections in Russia, while the Russian President's Administration is in the process of formation, because the Russian government "is not indifferent to the political situation in their neighbor country." "Neither we nor even the President of Russia has the right to evaluate the activities of the Belarusian government. But we cannot disregard, as a state, what is happening here and what will be here in half a year and in one year after the referendum," Leonid Gozman, Adviser to Anatoliy Chubays (deputy chairman of the Russian Council of Ministers), said.

The Russian officials met with representatives of various political parties, made a trip to the Dzyarzhynsk district and held meetings with sociopolitical analysts. "We have also heard from Belarusians the opinion which has appeared sometimes in the foreign press that democracy has been lessened in Belarus," Mr. Kasatkin said. "But we also heard another opinion, that this is normal and this is the right way to act." For instance, a meeting in the Dzyarzhynsk district was attended by many state industrial directors who pointed out that the present stable conditions should provide an opportunity for the implementation of economic reform. If economic reform is not effective, Lukashenka's ratings will drop considerably. The Russian officials wanted to know the opinion of the journalists present about the political and economic situation in the country.

Yuriy Bychkov, a consultant at the Department for Foreign Policy of the Russian President's Administration, took an interest in relations between the branches of power and their relations with the media, attitudes towards the forthcoming referendum — whether it is needed, what it can give the Republic and where it can lead to. The Russian delegation may be received by President Lukashenka.

Belarus: Maltsaw, Rodionov Sign Agreement on Military Training

WS1608074196 Minsk BELAPAN in English 0650 GMT 16 Aug 96

[FBIS Transcribed Text] Minsk, 15 August — An agreement that Belarusian military servicemen assigned to study in Russian higher military institutions will soon be educated in accordance with courses intended for Russian students, not for foreign ones, was one of the main results of a meeting between Lieutenant General Leanid Maltsaw, Belarusian defense minister, and his Russian counterpart, Colonel General Igor Rodionov, which was held in Moscow on August 14.

As a BELAPAN correspondent was told at the press office of the Belarusian Defense Ministry, apart from that, the personal acquaintance of the ministers proved to be highly important in the context of the subsequent development of fruitful bilateral cooperation between the defense ministries in the two countries.

Belarus: Lukashenka Sees Constitutional Reform as Main Task

LD1508130896 Moscow INTERFAX in English 1209 GMT 15 Aug 96

[FBIS Transcribed Text] GRODNO, Aug 15 (Interfax-West) — Belarusian President Alyaksandr Lukashenka claims his main political task for the immediate future will be undertaking constitutional reform through approval of the country's main law at the nationwide referendum scheduled for November 7.

The referendum will be carried out "not for the sake of personal power," but to fix democratic norms in the constitution, Lukashenka said in Grodno (western Belarus) on Thursday meeting with workers of the local Azot production association. "The constitution should be approved by the people, not by the parliament deputies," said Lukashenka.

He made it clear that the referendum results will determine in many ways further domestic policy of the country, including in the sphere of state-building. The new draft constitution provides for the creation of a two-house parliament called the National Assembly.

Speaking about the economic situation in the republic, the president referred to the growth of industrial production over the past seven months by 4.5 percent against the same period last year. Over the past two weeks of August 1996, prices in Belarus fell by 0.1 percent, said Lukashenka.

Still, he considers the situation in the republic's economy unstable. This is largely connected with Belarus'

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large dependence on foreign sources of raw materials and energy supplies, he said.

Belarus: Lukashenka Says Economic Recovery Started

LD1608231296 Moscow Mayak Radio Network in Russian 1540 GMT 16 Aug 96

[FBIS Translated Text] Belarus is the first CIS republic which has managed to halt its economic slump. During the first seven months of this year industrial production in the country increased by 4.6 percent compared with the same period last year. This was announced today by the president of the republic, Alyaksandr Lukashenka. It is particularly important that the production slump has been halted in such leading sectors as the chemical, oil, and light industries. The rapid increase in unemployment has stopped, and in Minsk unemployment has actually fallen. The president made it clear that the new trend was to a considerable extent connected with the process of closer integration between Belarusia and Russia which has now started.

Belarus: SupSov Deputy, TU Leader Criticizes Lukashenka Policy

WS1508093296 Minsk BELAPAN in English 0705 GMT 15 Aug 96

[FBIS Transcribed Text] Minsk, 14 August — MP Uladzimir Hancharyk, Belarusian Trade Union Federation chairman, refuses to take criticism of parliament by President Alyaksandr Lukashenka. Mr. Hancharyk announced that in an interview published in the August 14 edition of the newspaper "ZVYAZDA" "Yes, Parliament Makes Mistakes and Has Shortcomings," Mr. Hancharyk said: "The Supreme Soviet is a kind of reflection of society. For instance, at present, the alignment of political forces there includes communist, democratic, social-democratic, and other groups of deputies. Many movements are represented in the Supreme Soviet, it is a kind of society's copy. In the long run, one should take this into account rather than adjust parliament to only one point of view." Speaking about the results of parliament's activities Mr. Hancharyk said: "If we put the question this way: Did the president exercise his constitutional authority in full measure to ensure economic and political stability, rights, and liberties of citizens? It is still a long way off. This should be admitted. The Supreme Soviet also failed to do a lot. A way out here is in cooperation between these branches of power. We should not look for new people to blame. Arguments can be heard now that the Constitution was adjusted to Kebich. Tell me who now wants it to be made suitable for Lukashenka. Should another person come to power, for him? I do not want my children and grandchildren to live in a state where everything depends on one person, his health, mood, personal qualities."

Mr. Hancharyk also objected to the assertions, unfounded in his opinion, that "200 deputies receive salaries at a rate with those of ministers." "I personally and many other parliamentarians do not receive any funds in addition to those for expenses related to deputies' activities," Mr. Hancharyk said.

Belarus: Communist Party Leader Joins Opposition to President

LD1508155596 Moscow ITAR-TASS in English 1528 GMT 15 Aug 96

[FBIS Transcribed Text] MINSK, August 15 (Itar-Tass) — The Belarusian communist party — one of the nation's biggest political organisations — is threatened with a split, as its leader Sergei Kalyakin joined the political opposition to President Alyaksandr Lukashenka.

Kalyakin "and the destroyers of the republic are in the same boat," communists from the cities of Grodno and Mozyr said at meetings.

Differences within the party arose as its leader put his signature to an appeal by the nation's seven leading parties and movements criticising Lukashenka's political, economic, and social policies.

Among the signatories was also a leader of the ultra-nationalist Belarusian Popular Front. The alliance of the communist leader with the ultras aroused a protest among rank-and-file party members.

The Grodno communists said that "the Central Committee must support the president. It should be done not for Lukashenka personally, but for the entire Belarusian people."

They also suggested holding an extraordinary conference on 1 November.

Moldova

Moldova: Snegur, Luchinskiy on European, Russian Relations

LD1608220496 Moscow INTERFAX in English 1703 GMT 16 Aug 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] In an interview with foreign journalists on Friday, Snegur spelt out unequivocal support for the country's incorporation into Europe and cooperation with the Council of Europe and other European agencies.

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He says Moldova's integration into Europe will guarantee the observance of its statehood, promotion of democracy and economic reforms, introduction of international standards and observance of human rights.

Snegur said as president vested with the constitutional prerogative of handling foreign policy issues, his main priority was to get Moldova integrated into Europe. But he also called for a basic program of faster integration.

For his part, parliament speaker Petr Luchinskiy in an interview with Chisinau Novosti newspaper on Friday said Moldova was in need of a figurehead president as laid down in the constitution, and an inspiring prime minister.

He said the president was vested with sufficient powers and that Snegur's demands for wider authority were excessive.

Luchinskiy is skeptical about the chances of the Dniester issue being resolved before the poll. "But the question is now one of who can be entrusted to handle it. No matter who wins the post, he will have to tackle it," he said.

On the memorandum of normalization with Tiraspol, he said the paper was ready, but it would make sense for a new president to sign it after elections.

On the widespread delays of wages and benefits, the speaker said there was a reserve of 700 million lei [some $400 million] in unpaid exports and a further 500-700 million lei worth of future exports.

On his political leanings, Luchinskiy said his main commitment was to Moldova and to good relations with all states, including neighboring Russia, Ukraine and Romania. He said the country had a population of 500,000 ethnic Russians and it could ill afford having strained relations with Moscow. He spoke of the need to set conditions when the people could communicate freely in Moldovan and Russian.

Luchinskiy who counts on support from parties and movements said his main stake was on voters without any party leanings.

Moldova: Dniester Wants Guarantors To Enforce Peace Deal

LD1608120396 Moscow INTERFAX in English 1125 GMT 16 Aug 96

[FBIS Transcribed Text] KIEV, Aug 15 (Interfax-Ukraine) — Guarantors are needed at this stage to help prevent any violation of the Tiraspol-Chisinau peace accords, leader of the self-styled Dniester Republic Igor Smirnov said in Kiev on Thursday [15 August].

He heads a regional delegation in Kiev where it held political consultations as well as meetings at a number of Ukrainian ministries.

Smirnov spoke of Tiraspol's positive response to Kiev's efforts aimed at resolving the conflict and passing a letter of request to the Ukrainian president to send Ukrainian peacekeepers to the region.

On the prospects for signing a memorandum on resolving the conflict, he said this was not likely to happen until after Moldovan presidential elections due later this year. "The negotiating process has almost stalled at the moment," Smirnov said.

He said the proposed memorandum provided for a common state within its internationally recognized borders though "it will be built on a power sharing agreement."

Coordination of customs and tax policies and joint handling of environmental issues, he said, are the powers that Tiraspol is ready to partially delegate to Moldova. "We may also agree that Moldova represent our interests in the international arena. But any decision which can affect our interests can be taken only with our agreement," Smirnov said.

He said the Transdnestrians would not take part in Moldovan presidential elections but Tiraspol would not prevent ethnic Moldovans living in the region from doing so.

Also high on the agenda of Smirnov's talks in Kiev was the question of setting up a joint venture on the utilization of large amounts of ammunition accumulated in the region.

Although no date was set for the next round of talks, Smirnov said the two sides had agreed on agendas for solving various

issues. He said similar consultations might be held in Chisinau on September 20 as the Ukraine-Moldova commission meets to discuss border delimitation issues.

Moldova: Cabinet Urged To Implement Social Protection Program

AU1708173996 Chisinau BASAPRESS in English 2000 GMT 16 Aug 96

[FBIS Transcribed Text] Chisinau 16/8/1996 (BASA-press) — Moldovan President Mircea Snegur signed today decree on the program of measures on social protection of the poor section of population. The respective program stipulates the observance of all constitutional rights to health care, to work and labor protection, and to social assistance and protection.

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He ordered the cabinet to implement the program in accordance with the schedule and allot the needed funds. The cabinet must submit to Parliament for examination the amendments necessary to fulfill the program. The national program on protection of socially vulnerable sections of people, added to the presidential decree, stipulates, particularly, compensations to families with many children — two minimal salaries for every little child and three minimal salaries for every child going to school.

According to the presidential program, the pensioners will pay only 50 percent for 2 metric tons of coal and 2 cubic meters of wood, or they will receive by one metric ton of coal free of charge until 1 October.

Pensioners must receive 50 percent compensations of the cost of gas and electricity consumption monthly as well. The program also stipulates advantageous conditions while buying medicines and paying the telephone calls. The invalids will enjoy similar facilities as well.

The program stipulates the improvement of the current remuneration system, settling a level correlated with the living minimum, offering a minimal volume of medical services free of charge.

President Snegur ordered the cabinet to submit the necessary amendments that could guarantee salary payments in time. The program on the social protection of the population must be implemented within five years.

Sources from the cabinet told BASA that the respective body was not demanded yet to estimate the required funds and find resources to finance the presidential program.

Moldova: INFOTAG Lists Candidates Running for Presidency

AU1508204996 Chisinau INFOTAG in English 2200 GMT 14 Aug 96

[FBIS Transcribed Text] Chisinau, August 14 (INFOTAG) — The former ideology secretary of the Socialist Party and director of the State Department for National Minorities, Veronica Abramciuc, declared of her intent to run for president of the country as an independent candidate.

In her official declaration she points out that she was moved to make this step by the current situation of division in the republic, lack of civil accord, thefts of state property, disintegration of industry and reduction of output, catastrophic situation in social sphere, education, and health care, the violation of the principle of social justice, and the population's impoverishment.

Veronica Abramciuc emphasizes that she believes in her and her colleagues' abilities, and for them "presidential elections being not an end in itself, but an opportunity to improve the situation in the country." She expounds on several key program principles, realization of which will cause, in her opinion, the improvement of the situation in the republic, "the restoration of territorial wholeness, development of complex transitional program up to 2020 in the area of linguistic policy of the state, increasing the role of Moldovan language as the national language, and of the Russian language, which actually is a communication language in the republic and in all of the territory of the CIS."

Abramciuc declares that her decision to run for the presidency is based also on the opinion of territorial organizations of the Socialist Party, the majority of which supported her.

As INFOTAG reported earlier, the desire of the part of the Socialist Party, headed by the largest Chisinau territorial organization to officially nominate Veronica Abramciuc as a presidential candidate provoked discontent of the other part of the party. All this has led to a factual division of the Socialist Party into two arguing groups and complicated the situation of the party which was not able to register a block with other left—wing forces, to express support to any of the candidates or to register one of their own.

Academy Member Nicolae Andronati agreed to run for the position of president of the Republic of Moldova. During the meeting with the initiative group of scientists, engineers, businessmen, and leaders of industrial enterprises, who went forward with the initiative regarding this matter, he presented main principles of his future election platform.

As INFOTAG's correspondent was informed at the press center of the committee in support of Nicolae Andronati as a presidential candidate, the program is based on the normalization of economy, which would be able to make politics strong, too.

The developed economic model taking into consideration the republic's features, points out three areas: agriculture as the heart of the country, industry as its lungs, science and new technologies — its brain. The model of the future presidential candidate is based on balanced development of these areas.

Nicolae Androtati became the ninth potential candidate, who officially confirmed his intent to participate in the election campaign as a presidential candidate. Earlier this intent was expressed by the current President Mircea Snegur (nominated by the Party of Revival and Accord,) Prime Minister Andrei Sangheli (of the

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Democratic Agrarian Party of Moldova,) Valeriu Matei, chairman of the opposition Party of Democratic Forces, as well as the independent candidates: Petre Lucinschi, chairman of Parliament, former Minister of Security Anatol Plugaru, deputy Maricica Levitschi, movie director Emil Loteanu, and Veronica Abramciuc director of the department for national minorities.

According to the law, the registration of candidates starts on 19 August. For this each of the candidates should submit not less than 20 thousand signatures of electors supporting them.

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Tajikistan

Tajikistan: Pakistan Denies Citizens' Involvement in Tajik Conflict

LD1608205496 Moscow INTERFAX in English 1647 GMT 16 Aug 96

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, Aug 16 (Interfax) — The Pakistani Embassy in Moscow has denied the Russian media reports that mercenaries from Pakistan prepared by military training camps on Pakistani territory are fighting on the Tajik opposition's side.

The Russian media has reported this referring to a corresponding statement made by the commander of Russian border guard troops in Tajikistan.

"The Pakistani Embassy regrets that such a well-respected person in the Russian military department has made such a groundless statement," the Pakistani Embassy said in a press release received by Interfax.

"There are no such camps for preparing militants in Pakistan. The Pakistani government is unaware of the participation of Pakistani citizens in the internal conflict in Tajikistan," the Pakistani Embassy said.

"Pakistan appreciates friendly relations with fraternal Tajikistan and sincerely hopes" that a peaceful solution to the problems facing Tajikistan will be found in the near future, the Pakistani Embassy said.

Tajikistan: UN Special Envoy Criticizes Leaders for Impeding Observers

LD1608120496 (Clandestine) Voice of Free Tajikistan in Tajik 0600 GMT 16 Aug 96

[FBIS Translated Text] Gerd Dietrich Merrem, the UN secretary general's special envoy in Tajikistan has sharply criticized the Dushanbe authorities. At a news conference in Dushanbe he said that the Tajik rulers are making every effort to impede the work of the UN military observers in the conflict area, in particular in Tavil- Dara. Dietrich Merrem added: Although I have obtained permission for the UN Military Observers' Group to go to Tavil-Dara during my meeting with Tajik President Emomali Rakhmanov, the government's military personnel in the area have not permitted the observers' group to leave for Tavil-Dara on the pretext of lack of security.

It should be said that this is the first time for the UN high- ranking body to protest severely to the Dushanbe government during this work of this organization in Tajikistan.

Dietrich Merrem has warned that the UN will halt its attempts to go to Tavil-Dara and will not return to this topic until the government creates all the favorable conditions necessary.

Tajikistan: UN Envoy Comments on Current Situation

LD1808163996 Moscow ITAR-TASS World Service in Russian 1243 GMT 18 Aug 96

[By ITAR-TASS correspondent Valeriy Zhukov]

[FBIS Translated Text] Dushanbe, 18 Aug — After having received a statement by the Tajik Defense Ministry, Dietrich Merrem, the special envoy of the UN secretary general, told ITAR-TASS in an exclusive interview about his great concern over the fact that there is still fighting in Tavli Dara four weeks after the signing of a joint statement by the warring sides.

He confirmed having information on the renewal of large-scale combat operations in Tajikistan's Pamir area. However, Merrem could not give his assessment of the situation, saying that the United Nations does not have its military observers in the area of the conflict between the warring sides. The special envoy of the UN secretary general expressed certainty that if they were there in accordance with the Ashgabat agreements major clashes could have been avoided.

In connection with this he said that the UN military observers were planning to go to Tavil Dara next Wednesday. According to him, the leaders of the Tajik opposition told him about the beginning of a new offensive by their armed units against the positions of the government forces, which had been prompted by the violation by official Dushanbe of the Ashgabat agreements.

The UN mission cannot force the sides to observe their commitment to stop fighting, Merrem stressed. However, he noted that the government side is correctly interpreting the joint Ashgabat statement, and is first of all aspiring to halt the shooting so as to create conditions for unobtrusive movements on the Dushanbe-Khorog road. He said that the population of Gornyy Badakhshan will once again be left without sufficient amount of food if the hostilities continue.

Tajikistan: Russian Border Guards on High Alert

LD1508210096 Moscow INTERFAX in English 1734 GMT 15 Aug 96

[FBIS Transcribed Text] MOSCOW, Aug 15 (Interfax) — The tension has been growing in certain areas on the Tajik-Afghan border in recent days, officials in the Russian Federal Border Guard Service told Interfax Thursday.

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In particular, a 250- to 300-man strong unit of the Tajik opposition has moved towards the border near the village of Kalayi-Barpanj (on the Afghan side) "with support of some Afghan servicemen." The Russian Border Guard Service does not rule out the possibility that the unit may try to penetrate the border.

The Russian border guards are on high alert, tightening the security with the aid of local Tajik authorities and bringing in reinforcements to thwart, if necessary, any border violations, the officials said.

The service warns the Tajik opposition leaders that any border violations will be repelled.

Tajikistan: Security Tightened in Dushanbe

LD1708144196 Dushanbe Radio Tajikistan Network in Russian 0600 GMT 17 Aug 96

[FBIS Translated Text] Dushanbe — Security in the Tajik capital, has been tightened in response to an increase in crime and violence. Under a resolution issued by the mayor of Dushanbe, all visitors to the city are required to register with the internal affairs department, and special groups have been set up to check citizens' residence permits and "remove from the city" those unauthorized to be in Dushanbe. Groups of local activists have been set up to guard the homes of scientists and public figures.

The number of violations of the law have been increasing in Dushanbe lately, and serious crimes are sometimes being committed. The procedure for confiscating firearms and ammunition from the inhabitants has become very slack. Citizens' residence regulations are not being observed and the authorities are allowing peace and order to be disrupted.

With the purpose of ensuring social order and consolidating the fight against crime, Mahmadsaid Ubaydulloyev, the chairman of the Dushanbe administration, has passed a resolution. This resolution obliges the Dushanbe city internal affairs department to register people who arrive in the city for a temporary stay and are temporarily resident in the city. The internal affairs department is to give short-term permission to citizens.

Further measures to ensure law and order are observed in Dushanbe will be continued. In accordance with the resolution by the chairman of the city administration, Mahmadsaid Ubaydulloyev, on 15 August the first group of guards to defend law and order was set up from staff of the Dushanbe internal affairs department and of sections of the Ministry of Security, the Ministry of Defense, and the 201st division of the Russian Federation. The members of the group check citizens' identification cards, determine those who have no residence permits and take measures to remove them from the city.

In addition, special groups consisting of 10-12 people have been set up among the active inhabitants of mahallas [wards] and mikrorayons [quarters] and workers of enterprises and organizations. They guard the homes of scientific staff and political and social figures.

Tajikistan: Ministry Condemns Opposition for Taking Hostages

LD1708151696 Moscow ITAR-TASS in English 1504 GMT 17 Aug 96

[By Valeriy Zhukov]

[FBIS Transcribed Text] DUSHANBE, August 17 (Itar-Tass) — The Tajik Interior Ministry sent the U.N. observer mission in the republic a statement on Saturday, saying that the opposition "continues its criminal actions with regard to the peaceful population and representatives of the government."

Such actions run counter to a cease-fire agreement reached at the fifth round of talks in Ashgabat, the statement said.

The move followed an act of hostage-taking on Friday when unidentified gunmen captured eight high-ranking officials.

The hostages — Yavan district police chief Erkabayev, district security service chief Dubinin, district court chairman Alimardonov, security agent Zaripov and policemen Abdullayev, as well as several Russian troops stationed in Tajikistan — were abducted near the village of Sultanabad, 40 kilometres southeast of Dushanbe, military sources told Itar-Tass.

Tajik security forces have sealed off the area of their possible whereabouts and reinforced checkpoints in Dushanbe and on the approaches to the capital.

On August 9, gunmen of the same opposition armed group captured four employees of the Yavan district penitentiary. Their whereabouts remains unknown.

A group of militants led by a Rakhmonov Sanginov has claimed responsibility for the act. The captors demand that Sanginov's relatives be released from prison where they are serving time for a criminal offense.

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Tajikistan: President Appoints New Chiefs of Security Apparatus

LD1708111696 Moscow ITAR-TASS in English 1102 GMT 17 Aug 96

[By Valeriy Zhukov]

[FBIS Transcribed Text] DUSHANBE, August 17 (Itar-Tass) — President Emomali Rakhmanov of Tajikistan has appointed former secretary of the Security Council Abdurakhman Nazimov Deputy Prime Minister.

In all likelihood he will be responsible for power structures, Zafar Saidov, presidential press secretary reported today.

Amirkul Azimov, procurator-general, has been appointed to be Secretary of the Security Council.

The new deputy prime minister and secretary of the Security Council are to subject functioning of security and interior ministries and their local bodies to a detailed analysis and in two months represent a draft paper of these structures reorganisation.

Zafar Saidov said in an interview with Itar-Tass that law enforcement bodies activity did not answer modern requirements. A program of fighting with organised crime relisation is not effective. A criminal situation in the republic sharply aggravated, power structures pay no attention on drug traffic.

Uzbekistan

Uzbekistan: Presidential Decree on Taxations Issued

LD1708132096 Tashkent BIZNES VESTNIK VOSTOKA in Russian 15 Aug 96

[FBIS Translated Text] President Islam Karimov of the Republic of Uzbekistan has signed a Decree "On measures to increase the liability of economic entities for payments into the budget".

The State Taxation Committee has been given the right to confiscate the property of enterprises in payment of taxes and payments into the budget. The State Taxation Committee and the Ministry of Finance are to submit a method for applying this procedure.

Concluding barter contracts for delivery of products within the territory of Uzbekistan will be banned from 1 September. Export output is automatically considered to be sold 60 days from the time it crosses the customs boundary, and all the appropriate taxation payments will be levied on it. An exception has been made only for centralized exports.

Commercial banks are prohibited from paying any intermediaries for products of labor and for services. Settlements are allowed only to the direct suppliers of the commodity.

The post of excise tax inspector will be created on the staffs of the Ministry of finances and financial bodies from 1 January 1997.

Uzbekistan: Meeting Held on Organizing Structures To Protect Rights

LD1308191796 Tashkent Uzbekistan Television in Russian 1430 GMT 13 Aug 96

[FBIS Translated Text] A meeting of representatives of ministries and departments was held in Tashkent today.

The process of forming the legislative foundations and organizing structures to provide protection and observance of citizens' rights in accordance with the standards of international law has been actively under way since the declaration of independence of the Republic of Uzbekistan. In this connection particular attention is being devoted to development of cooperation with international organizations.

The meeting of the representatives of ministries and departments of the Republic of Uzbekistan and also representatives of UN specialized establishments was set up at the UN office to work out a joint program of action directed at further training and teaching of specialists, spreading knowledge of standards and principles of international law, and rendering technical assistance in working out legislative acts in the field of the protection of citizens' rights and creating corresponding state institutions.

Uzbekistan: Heads of Regional Administrations Fined for Cash Policies

LD1608083696 Tashkent PRAVDA VOSTOKA in Russian 13 Aug 96 p 1

[FBIS Translated Text] Resolution by the Cabinet of Ministers of the Republic of Uzbekistan "On results of meeting the set level of emission of cash funds and the cash plan in the republic for July 1996"

The Cabinet of Ministers of the Republic of Uzbekistan notes that the Central Bank, the Council of Ministers of the Republic of Karakalpakistan, regional, municipal and district administrations, commercial banks, taxation bodies, and other ministries and departments rendering payment services to the population have in July 1996 conducted targeted measures to fulfill the fulfillment of the set parameters under the Cabinet of Ministers' Resolution No. 230 of 2 July 1996, "On measures to reduce the emission of cash funds." The forecast indices for a reduction in emission of cash funds have been

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achieved in the republic as a whole and in the city of Tashkent.

However, the Council of Ministers of the Republic of Karakalpakistan and administrations of many regions have been unable to ensure fulfillment of the set projections to reduce the level of emission of cash funds.

Under paragraph 4 of the aforementioned resolution and under the "Provision on increasing responsibility and on procedure for encouraging managers and officials to fulfill the forecasts for reducing the level of emission of cash funds and cash plans in the regions of the republic," and acting on the basis of the results of fulfillment of cash projections for July 1996, the Cabinet of Ministers resolves:

1. To take cognizance of the decision by the Central Bank of the Republic of Uzbekistan, commercial banks, and the State Taxation Committee on taking appropriate relevant measures, in accordance with aforementioned provision, in respect of officials in their regional subdivisions.

2. Qozim Tulaganov, the head of the Tashkent city administration, his deputies R.F. Fayzullayev and R.M. Shoabdurakhmanov to be given bonuses of 30 percent of their monthly salary for over-fullfilling the projections for the cash plan and the level of withdrawal cash from circulation for July 1996.

3. The Chairman of the Council of the Republic of Karakalpakistan and his deputies, and also the heads of regional administrations and their deputies are to be fined for failure to fulfill the set forecasts of the level of emission of cash funds and cash plans; the fine is set at a percentage of monthly salary as per the addendum below.

4. The Chairman of the Council of Ministers of the Republic of Karakalpakistan, heads of regional, municipal, and district administrations, heads of the Uzbek Savdo [Uzbek Trade], Uzbytsoyuz [Uzbek Consumer Services Union], and Uzbekbirlyashuv [Uzbek Consumers' Union] associations, as well as the Uzavtotrans [Uzbek Motor Transport] corporation, the Ministry of Communications, the Ministry of Municipal Economy, the Tashgorpastrans [Tashkent Municipal Passenger Transport] association, and other ministries and departments in the Republic of Uzbekistan are to take heed of the unsatisfactory work in the localities on supplying consumer markets with essential goods, expanding paid service industries and ensuring current payments to population by means of speeding up cash circulation.

5. The republican committee on credit-monetary policy (Faizulla Mullajanov) and the State Taxation Committee (Shamil Gataulin) are to tighten control over the strict implementation of projections for reducing the level of emission in the regions, towns, and districts. They are within 10 days to work out specific measures to sharply reduce cash circulation outside the banking system and to create incentives for economic entities to collecting proceeds in full, and in good time.

6. Temur Alimov, state adviser to the president of the Republic of Uzbekistan, is to be responsible for supervising the implementation of the present resolution.

[Signed] Chairman of the Cabinet of Ministers Islam Karimov, city of Tashkent, 12 August 1996.

Addendum to the resolution of the Cabinet of Ministers of 12 August 1996

Sizes of fines imposed on the chairman of the Council of Ministers of the Republic of Karakalpakistan, heads of regional administrations and their deputies on the results of fulfillment of projections to reduce the level of emission of cash funds and the cash plan for July 1996

1	2	3	4	5
The republic of Karakalpakistan	S. Avezmatov	D. Qoshkarboyev	B. Bekturdiyev	10
Andizhan	Q. Obidov	S. Ibrohimov	M. Qayumov	20
Bukhara	M. Rahmonov	F. Tokhtayev	V. Zhdanov	20
Dzhizak	A. Toshkenboyev	Z. Hakimov	B. Uzoqov	20
Kashkadarya	O. Parmonov	R. Nasimov	A. Likhin	20
Navoy	H. Ghafforov	A. Khalimov	E. Berdiyev	20
Namangan	B. Rapighaliyev	I. Najmiddinov	E. Mamatqulov	20

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1	2	3	4	5
Samarkand	A. Mardiyev	A. Umarov	S. Umarov	20
Syrdarya	G. Hasanov	A. Krovnov	T. Rahimov	20
Surkhandarya	J. Noraliyev	A. Ahmedov	Q. Ahmedov	20
Tashkent	E. Roziyev	B. Hosilov	H. Asadov	20
Fergana	M. Islomov	H. Haydarov	B. Ergashev	20
Khorezm	I. Yusupov	J. Sultonov	Q. Rahimov	20

1 — names of regions 2 — Chairman of the Council of Ministers and heads of regions 3 — deputy region heads on economic matters 4 — deputy region heads on consumer goods, trade and paid services 5 — size of the fine as a percentage of salary

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Azerbaijan

Azerbaijan: Aliyev Receives U.S. Representatives, Comments on Ties

NC1608173996 Baku TURAN in English 1427 GMT 16 Aug 96

[FBIS Transcribed Text] BAKU/16.08.96/TURAN—Today the president Geydar Aliyev received the delegation of the staff members of the House of Representatives Committee on International Relations . During the meeting head of the delegation Mark Gage told that his group has been in Moscow, Yerevan and after Baku it will leave for Turkey. It is fact finding visit during which the perspectives of providing assistance to the countries of region on the part of the US will be discussed. Mark Gage noted that the members of the delegation are at the same time the advisors of the leaders of the units for the international relations in the U.S. Congress.

President Geydar Aliyev said underlined great significance of the visit, as "a lot of depends of it." The President noted that Azerbaijan wants to be treated objectively by the other states. He mentioned successful oil co-operation of the two countries and said that while adopting of the decision on double route of the export of the Baku's oil, Baku had taken into account the interests of the USA. According to Aliyev, the great problem for Azerbaijan is the Armenian-Azeri conflict. The president underlined that Azerbaijan was going to obtain peaceful resolution of the problem. At the same time he said that Azerbaijan was not going to sacrifice its interests. "We will not give even one meter of our land, " Geydar Aliyev said.

Azerbaijan: Aliyev Discusses Armenia With U.S. Reps

LD1608195496 Moscow INTERFAX in English 1703 GMT 16 Aug 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] Azerbaijan wants a lasting peace with Armenia, but it is not going to sacrifice its national interests," President Geydar Aliyev declared at a meeting with a delegation of advisors of the U.S. House of Representatives' Internal Relations' Committee in Baku today.

Calling the Azeri-Armenian conflict "the main problem for Azerbaijan," Aliyev pointed to "Baku's unchanged position" on terms for a peace settlement - "respect for Azerbaijan's territorial integrity, the liberation of occupied lands, and refugees' return to their homes."

He reemphasized that if these terms were met, Azerbaijan would be ready to grant the lofty status of autonomy to Nagorno-Karabakh and guarantee its Armenian population's security.

According to Aliyev, he "made this clear" to his Armenian counterpart Levon Ter-Petrosyan during a recent brief speech in Moscow, where both leaders attended the Russian President Boris Yeltsin's inauguration ceremony.

Quoting some observers as saying that "Armenia is allegedly superior in the conflict, the Azeri president warned that "he will not yield an inch of Azerbaijan's soil to anyone."

At the same time, he spoke highly of the cease-fire in Karabakh, recalling that it has been holding for two years now. "However, this is not a peace, yet," he said.

Aliyev then voiced hope that the U.S. congressmen, who had visited an Azeri refugee camp on Thursday, had been able to familiarize themselves with the refugees' living conditions and "have a better picture of the direct consequences of this war."

Voicing satisfaction with "dynamic" ties with U.S., to which regular direct top level contacts bear witness, Aliyev said he was looking forward to seeing further cooperation with U.S. on the Karabakh problem.

Besides, he spoke highly of bilateral cooperation in the oil field.

Touching upon the oil "contract of the century," signed by Azerbaijan last autumn with a number of major foreign oil companies, U.S. included, Aliyev noted that the decision on "parallel routes," for Caspian oil haulage had been adopted in Baku by taking various interests into account, "U.S.interests," included.

Addressing the guests, part of whose duties are the U.S. congress's international ties, Aliyev wished that the world would get "an unbiased impression of Azerbaijan."

What makes the delegation's visit also important is that "you are advisers, and the decisions adopted by the leaders depend on you in many ways."

In that is connection, he recalled that as a Politburo member and a Soviet leader, he also had advisers, however, he "checked each letter in the submitted documents," himself.

"In general, there have always been two types of leaders: some, signing papers, prepared by advisers, even without reading them, others, being more meticulous," Aliyev said, referring himself to the latter.

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Azerbaijan: Foreign Minister Meets U.S. Representatives

LD1708132396 Moscow INTERFAX in English 1301 GMT 17 Aug 96

[FBIS Transcribed Text] BAKU, Aug 17 (Interfax) — A group of U.S. Congressmen arrived in the Azerbaijani capital of Baku on Saturday and met with Azerbaijani Foreign Minister Gasan Gasanov.

Prospects for the developments of bilateral political relations between Azerbaijan and the United States were considered during the meeting, Gasanov told Interfax.

Gasanov said he and the U.S. Congressmen in particular had discussed measures to remove amendment 907 to the Protection of Freedom of the U.S. Congress Act adopted in 1992.

This amendment bans the provision of direct U.S. government aid to Azerbaijan.

Gasanov said he and the U.S. Congressmen had also discussed the amendment to the bill on U.S. financial aid to foreign countries in 1997 which links aid to Azerbaijan with direct aid to Nagorno-Karabakh.

The House of Representatives of the U.S. Congress passed this amendment about two months ago. However, the Senate rejected the amendment because of Azerbaijan's negative reaction. The amendment is currently being considered by the conciliatory committee of the U.S. Congress.

Gasanov expressed protest against possible adoption of this amendment which, as he said, may threaten Azerbaijan's territorial integrity.

Georgia

Georgia: U.S., British Embassies Discuss TV Company Closure

LD1608185796 Tbilisi BGI in Russian 1643 GMT 16 Aug 96

[FBIS Translated Text] A court ruling revoking a broadcasting license for the Rustavi-2 TV company [the company was closed in May by the Ministry of Communications and a district court], was discussed at the U.S. Embassy in Tbilisi yesterday. Representatives of the OSCE [Organization for Security and Cooperation in Europe], British, and U.S. Embassies, as well as Georgian lawyers and representatives of the TV company participated in the discussion. The participants in the discussion came to the conclusion that the court's ruling to close the TV company was unjust and biased, and violated such a democratic institution as freedom of speech. Representatives of the foreign organizations intend to lodge a complaint with a higher court and attend the next hearing which will be held at the Tbilisi municipal court.

Georgia: Defense Ministry Asks CIS for Help in Abkhazian Conflict

LD1708132696 Tbilisi Radio Tbilisi Network in Georgian 0600 GMT 17 Aug 96

[FBIS Translated Text] A delegation of the Georgian Defense Ministry has returned from Moscow where it participated in the meeting of the CIS Council of Defense Ministers. Georgian Defense Minister Lieutenant General Vardiko Nadibaidze made an extensive speech at the meeting.

The Georgian Defense Ministry press center reported that on the fourth anniversary of the conflict [in Abkhazia], the Georgian defense minister once again reminded his colleagues of the grave consequences of the armed conflict and spoke about the danger faced by the Caucasus region and the entire Commonwealth of Independent States if the conflict was not settled. The Georgian defense minister gave an objective assessment of the positive and negative aspects of the Russian peacekeeping operation and drew the meeting's attention to several facts.

Only 351 refugees have returned to Gali District since the peacekeeping forces were deployed there. Abkhaz separatists continue ethnic cleansing of the population and punitive operations behind the Russian peacekeepers' backs and sometimes with the command of the forces turning a blind eye. It is also the Russian peacekeeping forces' fault that the May 1994 agreement is blatantly violated.

On the basis of the Georgian defense minister's report, the CIS Council of Defense Ministries adopted a memorandum in which it supported the report and requested that the CIS Council of Foreign Ministries step up the activities of experts working on a comprehensive settlement of the conflict in Abkhazia and submit political propositions to the CIS heads of state.

Georgia: Russia Bolsters Borders at Chechnya, N. Ossetia Sections

LD1608153496 Tbilisi SAKINFORM in Russian 1344 GMT 16 Aug 96

[FBIS Translated Text] Russia has enhanced the protection of the North Ossetia and Chechnya sections of the Russian-Georgian border, a SAKINFORM correspondent was told at the Georgian Border Service's press center. In particular, the number of border troops has been increased in the Dariali gorge, at the Larsi checkpoint, and in some areas where attempts to smuggle arms and ammunition can be expected.

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Georgia: OSCE Views Georgian, S. Ossetian Leaders' Meeting

LD1608174896 Tbilisi BGI in Russian 1643 GMT 16 Aug 96

[FBIS Translated Text] Views expressed by Ludvig Chibirov, the chairman of the South Ossetian Supreme Council, in the NEZAVISIMAYA GAZETA newspaper cannot hinder his meeting with Georgian President Eduard Shevardnadze. This is what representatives of the OSCE [Organization for Security and Cooperation in Europe] Georgian mission concluded following their visit to Tskhinvali, a BGI correspondent reported. They were referring to an interview Ludvig Chibirov gave to NEZAVISIMAYA GAZETA in which, speaking about the unification of North Ossetia and South Ossetia, he said: "I am certain that the unification will take place any day now."

Explaining his position, Ludvig Chibirov told the OSCE representatives that this was not his own opinion, but rather the people's decision, which has been demonstrated in the resolutions passed by two Ossetian people's congresses.

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Estonia

Estonia: Prime Minister, PRC Official Discuss Cooperation

LD1908121296 Tallinn Radio Tallinn Network in Estonian 1000 GMT 19 Aug 96

[FBIS Translated Text] Estonian Prime Minister Tiit Vahi met Chinese State Councillor Li Tieying today. Vahi said that China was surprisingly interested in Estonia. Currently, an agreement on avoidance of double taxation is being drawn up. China is also interested in opening an Estonian embassy in Beijing. Vahi said that next year Estonia will open its first embassy in Asia, namely in Japan. He thought that starting next year, planning for a trade or consular mission in China could commence.

At the meeting with the Chinese state councillor, specific plans for warehouses also were discussed. China is interested in setting up tax-free warehouses in Estonia and in opening a Chinese department store. China is also interested in marketing output of the Estonian fertilizer factory in China.

Vahi said that he had told the Chinese representatives that although Estonia is interested in foreign investment, businessmen would have to use local labor.

Estonia: Prime Minister Warns of 'Socialist Nostalgia'

WS1908110196 Tallinn BNS in English 1021 GMT 19 Aug 96

[FBIS Transcribed Text] Haapsalu, Estonia, Aug 19, BNS — Estonian Prime Minister Tiit Vahi on a tour of Estonia's Laane County Sunday gave a warning of socialist nostalgia, saying it was the greatest danger to Estonian development, besides security problems.

"The problems for Estonia are lack of firm security guarantees, as well as a socialist nostalgia," Vahi told a press conference at the Laane County government office.

The prime minister said there was a clear line of distinction between people wishing to have socialism back and those supporting an open economy.

Vahi said there was a certain contingent of people in Estonia who wished to achieve a closed economic space and increase the role of the public sector. "In my opinion these people want to have socialism back," Vahi told the press conference.

The prime minister said that closing the economy would lead to integration with the East. Vahi said the Estonian economy had been closed for only 50 years, during the years of Soviet rule, but for hundreds of years before that Estonia's economy had been open. "An open economy will guarantee progress," the prime minister underlined.

Vahi said he could see signs of changes taking place in the Estonian economy during his visit to Haapsalu. He said one sign of the success of the economic policy was the doubled number of telephones.

Estonia: Fishermen's Union Opposes Sea Border Pact With Latvia

WS1608141796 Tallinn BNS in English 1315 GMT 16 Aug 96

[FBIS Transcribed Text] Tallinn, Aug 16, BNS — The annual congress of the Estonian Fishermen's Union Thursday expressed its opposition to the Estonian-Latvian sea border agreement and is appealing to the parliament not to ratify the agreement.

The Fishermen's Union resolution claims the agreement signed by prime ministers Tiit Vahi and Andris Skele in July is unacceptable, although in principle fishermen are not against making amendments in the effective 1993 law on the Estonian state border, Fishermen's Union board chairman Toivo Orgussaar told BNS.

Orgussaar said it was very difficult to explain to the fishermen why the Estonian territorial waters could only reach to 12 miles from the coast, while Latvian waters reached to 22-34 miles.

The Fishermen's Union chairman said the sea border agreement should not be ratified before Latvia had changed the status of its waters in the Gulf of Riga, which at present makes it possible to establish very strict demands to Estonian ships entering those waters.

The Fishermen's Union also adopted a resolution demanding the unification of fishing regulations applied to both Estonian and Latvian fishermen in the Gulf of Riga.

A ban on the fishing of Baltic herring comes into effect two weeks later in Latvia, as a result of which Latvian fishermen catch fish coming to spawn in Estonian waters, Orgussaaar said.

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